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Japan

Miyazawa, Kato on French Approval of Maastricht

OW2109032592 Tokyo KYODO in English 0314 GMT 21 Sep 92

[Text] Tokyo, Sept. 21 KYODO—Prime Minister Kiichi Miyazawa welcomed Monday the approval of the Maastricht Treaty on European Union by French voters.

Asked at his official residence about the result of Sunday's French referendum on the treaty, Miyazawa told reporters, "It is good," adding that it should temporarily end the turmoil on the European foreign exchange markets.

The treaty was approved by a narrow margin in the referendum.

Chief Cabinet Secretary Koichi Kato, in a separate press conference, said the vote could also give impetus to the stalled Uruguay Round of multilateral trade talks.

Kato said Japan aims to continue expanding its partnership with the European Community (EC) in the spirit of a joint Japan-EC declaration issued a year ago.

Hata Welcomes French Vote

OW2009232292 Tokyo KYODO in English 2257 GMT 20 Sep 92

[Text] Washington, Sept. 20 KYODO—Japanese Finance Minister Tsutomu Hata on Sunday welcomed France's approval of the Maastricht Treaty on European Integration, predicting that it would stabilize currency markets.

Hata told a hastily arranged news conference in Washington, where he is attending international financial meetings, that the French approval of the treaty in a referendum Sunday was a development "in a direction we had wanted it to go."

"I think we may see the turbulence in the foreign exchange market stabilize," he said.

Hata also said the "atmosphere in the currency markets now open appears to be good."

But he was skeptical about additional measures to calm the markets, saying "unwise steps could have negative effects (on the markets)."

MOF Hopes Vote To Stabilize Currencies

OW2109024992 Tokyo KYODO in English 0222 GMT 21 Sep 92

[Text] Tokyo, Sept. 21 KYODO—Officials at Japan's Ministry of Finance (MOF) expressed the hope Monday that France's approval of the Maastricht Treaty on European Integration would stabilize European currency markets.

The officials, at the ministry's International Finance Bureau, welcomed the French vote in a referendum Sunday, saying it had averted a potential crisis over European integration.

On the Tokyo foreign exchange market Monday, the U.S. dollar opened lower against the yen and the ministry officials said trading was relatively calm in reaction to the French vote.

They said the dollar was sold because the value of the German mark remained high.

The officials said Japanese monetary authorities will intervene in the market as necessary in accordance with an agreement by financial officials of the Group of Seven industrial nations at their meeting in Washington at the weekend.

Bank of Japan officials also said the French vote averted what could have been a critical situation.

The central bank officials said they will be closely watching to see when the British pound will return to the European Exchange Rate Mechanism (ERM) after its temporary withdrawal from the system and how problems over Denmark's rejection of the Maastricht Treaty in June are resolved.

They said that even after the French vote, basic problems of the ERM remain unresolved and the pound continues falling on foreign exchange markets.

The officials said a delay in the pound's return to the ERM could affect the schedule for adoption of a common European currency, and the mechanism might have to be amended.

The officials said the turmoil in European currency markets is likely to have little effect on the Tokyo foreign exchange market, however.

They said they are considering a wide range of options for intervening in the market in case such action is required.

Monetary Officials on Currency Markets

OW2109151992 Tokyo KYODO in English 1505 GMT 21 Sep 92

[Text] Washington, Sept. 21 KYODO—Japan's top financial and monetary officials said Monday that after a week of upheaval, world currency markets are regaining stability following the French approval of the Treaty on European Union Sunday.

Finance Minister Tsutomu Hata said the trading in the Tokyo foreign exchange market on Monday was "generally stable."

Hata said that the Group of Seven (G-7) leading economic powers will keep in close contact with each other, and take appropriate steps to maintain the stability. The G-7 members are Britain, Canada, France, Germany, Italy, Japan and the United States.

Bank of Japan (BOJ) Governor Yasushi Mieno, in a joint press conference with Hata in Washington Monday morning, said the tensions in the currency market have eased.

"The exchange markets are regaining calmness," he said.

Mieno denied that the G-7 top economic policymakers, in their weekend meeting, agreed to build any new system or plan to enhance their policy coordination in financial markets. Hata and Mieno are in Washington for a series of international financial meetings.

"We don't need any such new system," he said, because the current system is working quite well.

His remarks came in response to a speculation that the G-7 would agree on a more sophisticated system for concerted intervention in the currency market.

Mieno said the G-7 central bankers are already in very close daily contact, and they can intervene in any manner they choose under the current system.

Hata said Japan received no briefing or consultation from European finance ministers after their emergency meeting Sunday.

Hata suggested the G-7 is unlikely to take any additional steps immediately to stabilize the financial markets.

Spokesman on Route of Ships Carrying Plutonium

OW2209040792 Tokyo KYODO in English 0312 GMT 22 Sep 92

[Text] Tokyo, Sept. 22 KYODO—The top government spokesman denied Tuesday that Japan has decided to avoid the busy Melacca Strait when it ships plutonium home from France this fall.

Chief Cabinet Secretary Koichi Kato was commenting on a remark by a senior government source Monday that Japan would not route the plutonium via the Strait of Melacca because of piracy in the region.

"The route will be decided shortly before the ship leaves France. The route has not yet been decided," Kato told a news conference.

Kato offered no new assurances to Southeast Asian nations that have expressed concern over the shipment proceeding through the strait.

The government will continue to respond to their anxieties by explaining it has taken thorough safety measures, Kato said.

Kato added he does not expect the issue to damage bilateral relations with nations lining the strait.

Singapore, Malaysia, and Indonesia have objected to the shipments going through the strait.

But the government has said it will not make public the actual route in order to deter possible terrorist attacks. A specially refitted freighter, the 3,800-ton Akatsuki Maru, is now on its way to France to pick up a ton of plutonium which it will bring back to Japan. It will be accompanied back by an armed escort vessel, the 6,500-ton Shikishima.

Officers Depart for Cambodian Monitoring Duty

OW1909104092 Tokyo KYODO in English 1020 GMT 19 Sep 92

[Text] Tokyo, Sept. 19 KYODO—Eight Japanese military officers left Japan on Saturday for Cambodia to join United Nations peacekeeping activities as unarmed cease-fire monitors, government officials said.

The team from the Ground Self-Defense Force will enter Phnom Penh on Sunday via Bangkok as Japan's first Self-Defense Forces personnel to join UN peacekeeping missions, preceding next month's arrival of 600 member engineering troops for repairing roads and bridges, the officials said.

The eight cease-fire monitors will be stationed at Thai border locations for about six months after receiving medical checkups and training at the United Nations Transitional Authority in Cambodia (UNTAC).

The team includes 44-year-old Lt. Col. Yusuke Fukui, who joined the second government fact-finding mission to Cambodia last month, and seven officers who trained in Sweden in July and August.

On Wednesday and Thursday, the 30-member first advance mission will leave the Air Self-Defense Force's Komaki base, Aichi Prefecture, central Japan, by C-130 transport aircraft.

The 160-member second advance mission will leave Komaki October 1 and 2.

The remaining 376 members will leave by a chartered civil airplane from Nagoya, central Japan, on October 13.

Watanabe Lobbies UN To Drop 'Enemy Clause'

OW2209051392 Tokyo KYODO in English 0447 GMT 22 Sep 92

[By Antonio Kamiya]

[Text] New York, Sept. 21 KYODO—Foreign Minister Michio Watanabe spent his first day of UN "lobby" diplomacy Monday pleading Japan's case for the "enemy clause" to be dropped from the UN Charter and explaining why Russian President Boris Yeltsin abruptly canceled a long-planned trip to Japan.

Watanabe, who is making his debut at the United Nations as foreign minister, pursued Japan's goal righting what it perceives as a wrong at the hands of victors of World War II in a meeting with United Nations Secretary General Butros Butros-Ghali.

In quick succession, Watanabe also had a get-acquainted meeting with the acting U.S. secretary of state, Lawrence Eagleburger, and then paid a courtesy call on South Korean President No Tae-u.

Yeltsin was supposed to have traveled to Japan last week, and his last-minute cancellation of the scheduled tour featured prominently in Watanabe's conversation with Eagleburger and No.

Both expressed sympathy, though their attitudes differed.

The South Korean leader, who is scheduled to play host to Yeltsin in November, took what appeared a diplomatic tightrope walk as Watanabe sought to provide the Japanese perspective of the events leading to Yeltsin's no-show notice.

While No assured Watanabe that he "fully understood" the Japanese position, he also stressed that it is important for the parties involved to understand each other, a Japanese official said.

Behind No's cautious approach is the fact that although Yeltsin's Japan trip is in limbo, the Russian leader rescheduled a visit to Seoul due to have been made at the same time.

Eagleburger, on the other hand, was quick to express solidarity with Tokyo. When Watanabe told Eagleburger that Japan is worried that the Russians may use the mutual recrimination surrounding the aborted visit to try to "drive a wedge" between Japan and the United States and other Group of Seven (G-7) partners, the veteran American diplomat said the Russians would be playing high odds if they tried such a strategy, and would not get very far with it.

As the two ministers sat down for their first encounter since Eagleburger took over the top State Department job last month, Watanabe got an assurance from his American counterpart that Tokyo ranks much higher than Moscow in eyes of American policy-makers.

"The relationship between the United States and Japan is extremely important to the U.S., and whoever becomes the President (after the November election) U.S.-Japanese ties will be most important to the U.S.," Eagleburger was quoted as saying.

No also gave a high assessment of the overall ties between Japan and South Korea but pointedly noted "minor" glitches.

On other matters, No and Watanabe agreed to maintain close consultation over Japan's negotiations with North Korea on the establishment of diplomatic relations between the two countries.

No also promised to send an emissary to Japan to brief the Tokyo government on his upcoming visit to China, officials said.

While expressing solidarity with Japan over the Japanese standoff with Russia, Eagleburger also stressed the importance for the Western democracies to give economic assistance to Russia.

Eagleburger said Yeltsin's reform-minded government is facing mounting economic and political pressure at home and predicted that the coming winter would be most politically difficult for it.

"If the Yeltsin government collapses, things will be more difficult," he was quoted as saying.

Watanabe's meeting with Butros-Ghali focused mostly on issues of reform in the world body.

A Japanese official said Watanabe raised the "enemy clause" in the UN Charter as one of the "outdated" provisions that should have no place in the present-day world body.

The UN Charter, drawn up by the victorious allied powers of World War II, defines enemy states as "any state which during the second world war has been an enemy of any signatory of the present charter." Germany, Italy, and Japan were the principal axis powers fighting the allies in World War II.

Japan, which was admitted to the United Nations in 1956, has pushed for scrapping the "enemy clause" in the UN Charter, a reference Japanese officials say is both anachronistic and insulting.

In response to Watanabe's plea, Butros-Ghali indicated that the United Nations may drop the clause by the time the world body marks its 50th anniversary in 1995.

Butros-Ghali told Watanabe he regards 1995 as the target date for a major overhaul of its structure and functions.

Accepting Watanabe's invitation to visit to Japan, Butros-Ghali promised to consult the Japanese Government on his reform ideas when he makes the trip, Japanese officials said. No date was announced.

Watanabe, who arrived in New York Sunday, is scheduled to deliver a speech to the United Nations assembly on Tuesday and plunge into more rounds of UN "lobby" diplomacy during his four-day stay.

Watanabe, ROK's No Tae-u Discuss Yeltsin Trip

OW2209011592 Tokyo KYODO in English 0100 GMT 22 Sep 92

[Text] New York, Sept. 21 KYODO—South Korean President No Tae-u expressed sympathy to Tokyo in a meeting Monday with Foreign Minister Michio Watanabe over Russian President Boris Yeltsin's aborted trip to Japan, Japanese officials said.

No, however, also stressed the importance for Tokyo and Moscow to show better understanding of each other's position, they said.

The Korean leader, who is scheduled to play host to Yeltsin in November, took what appeared a diplomatic tightrope walk as Watanabe sought to provide the Japanese perspective on why Yeltsin abruptly called off his long-arranged trip to Japan.

Yeltsin, who was also to visit South Korea along with his aborted trip to Japan, called off the entire tour which had been scheduled to take place last week.

Although the Japan trip remains in the air, the Russian leader quickly rescheduled his visit to South Korea.

No assured Watanabe that he has "fully understood" the Japanese position but also stressed it is important for the parties involved to understand each other, a Japanese spokesman said.

No and Watanabe are in New York for the UN General Assembly meeting.

Watanabe told No that Yeltsin apparently decided to cancel the trip because the Russian leader was fed with "wrong information" from his advisers on Japan's claim to the disputed islands off northern Japan.

Yeltsin first cited domestic issues in canceling the Japan trip but later told Russian reporters that he felt the Japanese had pushed him too hard on the territorial dispute.

Japan has denied Yeltsin's claim.

In his meeting with No, Watanabe reiterated that Japan is ready to accept Russian considerations on ways of handling the return of the disputed islands once Moscow acknowledges Japanese sovereignty over them.

While expressing understanding of the Japanese position, No stopped short of giving a definite commitment on a potential dispute between Japan and South Korea over fishing rights in waters surrounding the disputed islands.

Japanese officials said No told Watanabe that South Korea would take the Japanese position "fully into consideration" when he was asked not to take measures that might jeopardize bilateral ties.

On overall bilateral relations, both No and Watanabe expressed satisfaction that the relations are in good shape despite "minor ripples," Japanese officials said.

The two leaders also agreed to maintain close consultation over Japan's negotiations with North Korea on the establishment of diplomatic relations between the two countries.

No also promised to send an emissary to Japan to brief the Japanese on his coming visit to China, Japanese officials said.

SDP Vows to PRC's Wu To Pursue Apology

OW2109125792 Tokyo KYODO in English 1234 GMT 21 Sep 92

[Text] Tokyo, Sept. 21 KYODO—The Social Democratic Party (SDP) told Chinese Vice Premier Wu Xueqian on Monday [21 September] it would continue pressing the Japanese Government for an official apology and compensation for suffering inflicted during Japan's 1937-1945 occupation of China.

Rikyu Shibusawa, vice chairman of the No. 1 Japanese opposition SDP, made the pledge at a reception welcoming Wu and his 33-member Chinese Communist Party delegation, invited to Japan by the SDP to mark the 20th anniversary of normalized relations between Japan and China.

The ruling Liberal Democratic Party continues to ignore Japan's aggression in Asia 50 years after its defeat in World War II, Shibusawa said.

"A society that offers compensation without an apology is hypocritical, and an apology without compensation is merely mercenary," Shibusawa said, explaining the SDP's demands for Japanese apologies and compensation to China and other Asian nations.

The government maintains compensation for individual victims is not necessary because China abandoned such claims with the 1972 joint communique establishing diplomatic ties.

Recently, however, former "comfort women" forced to provide sex to Japanese soldiers and conscripted laborers during the war have come forward to demand compensation.

Wu, who arrived earlier Monday, did not mention Japan's wartime record in his remarks.

Instead, he seized on how economic, political, and cultural ties have improved since 1972, and in particular since China embarked on its open-door policy in 1978.

The Chinese people have resolved to make the necessary effort to improve their standard of living, Wu said.

Shibusawa and Wu called for closer cooperation in the aftermath of the cold war.

Wu is to meet with SDP Chairman Makoto Tanabe, Prime Minister Kiichi Miyazawa and other ruling party leaders, and attend a conference between the Chinese Communist Party and the SDP before leaving Japan Sunday.

PRC Official, Miyazawa Discuss Emperor's Visit

OW2209052192 Tokyo KYODO in English 0449 GMT 22 Sep 92

[Text] Tokyo, Sept. 22 KYODO—Former Chinese vice premier Ji Pengfei promised Prime Minister Kiichi Miyazawa on Tuesday that the October 23-28 visit to

China of Emperor Akihito and Empress Michiko will be a great success, a Foreign Ministry official said.

"The whole nation will extend a welcome. We wish the visit to be a great success," Ji was quoted as saying during a half-hour courtesy call at the prime minister's official residence.

Miyazawa replied that he would like the visit marking the 20th anniversary of diplomatic ties to be a success because it is an important event for both nations.

"China will play a bigger role in the 21st century. Advancing Chinese-Japanese relations is important not only for the Asia-Pacific region, but also for the world," Miyazawa was quoted as saying.

Ji, who served as foreign minister in 1972 when Japan and China normalized diplomatic ties, is here on a weeklong visit to attend Wednesday's opening of a Zhou Enlai exhibition in Tokyo.

Prosecutors Reiterate Call To Question Kanemaru

OW2109150692 Tokyo KYODO in English 1438 GMT 21 Sep 92

[Text] Tokyo, Sept. 21 KYODO—Prosecutors reiterated their call for Shin Kanemaru, former vice president of the ruling Liberal Democratic Party (LDP), to be questioned over his acceptance of 500 million yen in undeclared political funds, informed sources said Monday.

Kanemaru, who runs intraparty politics from behind the scenes, admitted at a news conference late last month that he accepted the money from the scandal-tainted trucking firm Tokyo Sagawa Kyubin Co. prior to the February 1990 general election and offered to resign from the No. 2 position of the LDP.

The Tokyo district public prosecutors' office summoned Kanemaru's attorney to urge the politician to respond to the planned question. Prosecutors asked for a reply from the 78-year-old Kanemaru possibly on Thursday, the sources said.

Kanemaru, who is staying on as leader of the LDP's largest faction founded by former Prime Minister Noboru Takeshita, has consistently refused to be questioned, saying his lawyers will file a written statement on his involvement in the alleged illicit donations from Tokyo Sagawa's former president, Hiroyasu Watanabe, 58.

The Political Funds Control Law prohibits politicians from accepting 1.5 million yen or more from an individual in a single year. Violators will face up to 200,000 yen in fines.

Prosecutors told Kanemaru's attorney they would study a statement in which Kanemaru confessed to accepting the money in violation of the law if one is submitted, the sources said.

The renewed call for Kanemaru to comply came one day before Watanabe's trial begins.

Kanemaru's attorney is reported to have expressed hope that Kanamaru can avoid a summary indictment expected to be filed by prosecutors by submitting a written statement.

However, prosecutors rejected the offer, claiming they cannot accept a move aimed at avoiding punishment, and demanded the Kanemaru camp reply to the prosecution request, possibly on Thursday, the sources said.

Stressing the need to question Kanemaru, the prosecutors office has repeatedly called on him to submit to questioning. Last weekend, it asked Kanemaru's eldest son to persuade Kanemaru to respond to questioning.

According to the prosecutors' findings, Watanabe gave the 500 million yen to the Kanemaru camp during January 20-24, 1990, when the official campaign for the House of Representatives was in progress, the sources said.

They showed Kanemaru asked Watanabe, who has been charged with aggravated breach of trust, to raise the funds in the summer of 1989. Tokyo Sagawa Kyubin was later absorbed by Kyoto-based Sagawa Kyubin Co. along with several other regional parcel delivery firms.

Kanemaru said his aides informed him afterward of the donations, which he said was a goodwill gift to his fellow campaigners. He is believed to have distributed the money to about 60 Takeshita faction candidates who ran in the 1990 general election, the sources said.

Prosecutors are likely to file a summary indictment against Kanemaru even without questioning if he submits a written statement completely acknowledging his violation of the political funds control law, the sources said.

Official Refuses Comment on Yakuza Connection

OW2209111392 Tokyo KYODO in English 1032 GMT 22 Sep 92

[Text] Tokyo, Sept. 22 KYODO—Chief Cabinet Secretary Koichi Kato repeatedly refused Tuesday [21 September] to comment on the propriety of government and political leaders maintaining ties with organized crime.

Replying to reporters, Kato said it would be inappropriate to comment because his remark might be taken in the context of a trial involving former executive officials of Tokyo Sagawa Kyubin Co., which opened Tuesday.

Prosecutors told the first hearing at the Tokyo District Court that Hiroyasu Watanabe, former president of Tokyo Sagawa Kyubin, acting upon a request from an unidentified politician in 1987, entreated a yakuza mob leader to help silence a rightist group's campaign against another politician, whose name was also withheld.

Political sources said Watanabe had responded to a request from Shin Kanemaru, the former vice president of the country's governing Liberal Democratic Party.

In 1987, Kanemaru was the main backer for Noboru Takeshita in his bid to assume the LDP presidency, a post carrying the prime ministership.

In a heated news conference, Kato said he did not personally have any contacts with organized crime, and that he would not forge such ties in the future.

Asked if he had ever had the opportunity to establish a relationship with "yakuza" gangsters, he replied "I don't think so."

Prime Minister Kiichi Miyazawa has also declined comment on ties between politicians and yakuza.

When Kanemaru admitted in August that he received 500 million yen in contributions from Watanabe and announced that he was resigning as LDP vice president, Miyazawa stood firmly by Kanemaru, asking him to stay on.

Kanemaru, 78, is seen as Miyazawa's main patron, as well as the key force in bringing Miyazawa to power last November.

The Political Funds Control Law bars politicians from accepting over 1.5 million yen from any individual in a single year. The law carries a punishment for violators of 200,000 yen in fine.

Communist Party Removes Honorary Chairman Nosaka

OW2009091392 Tokyo KYODO in English 0846 GMT 20 Sep 92

[Text] Tokyo, Sept. 20 KYODO—The Japanese Communist Party (JCP) announced Sunday it will remove its honorary chairman and one of the founders of the party, Sanzo Nosaka, from the post for the prewar betrayal of a fellow party leader.

The decision refers to Nosaka's informing on an innocent senior party member of the Communist International, an international organization of Communist Party members the world over, for spying before World War II, JCP officials said.

The decision to dismiss Nosaka from the symbolic but important post will be formalized by the next congress of the JCP, the officials said.

The announcement came on the heels of recent magazine articles that Nosaka, 100, wrote a letter to the then leader of the Communist International about Kenzo Yamamoto, one of the JCP leaders, saying he had been spying for the Japanese Government around 1938.

Yamamoto was shot to death by Stalin's firing squads in 1939.

Nosaka was in exile in the United States at the time. The JCP says Yamamoto was not a spy.

Nosaka assumed the JCP's chairmanship at the seventh party congress in 1958 and retained the post until 1982, becoming a symbolic figure of the party.

Planning Official Says Economy 'Bottomed Out'

OW2109072992 Tokyo KYODO in English 0655 GMT 21 Sep 92

[Text] Tokyo, Sept. 21 KYODO—Japan's slumping economy bottomed out in the April-June period and it is now on a track of recovery, the head of the Economic Planning Agency (EPA) said Monday.

Takeshi Noda, director general of the agency, made the comment during talks with visiting Australian Prime Minister Paul Keating.

Noda said, "The April-June period is going to be the bottom in the current fiscal year, and it (the economy) is now moving to recover."

"The economy can be expected to strengthen toward the end of this year," he said, referring to Japan's large-scale stimulus package as the basis of his projection.

The Japanese Government announced at the end of August a 10.7 trillion yen pump-priming package to lift the nation's economy from its worst slowdown in nearly two decades.

Keating called the economic stimulus package "a daring and right decision."

The Economic Planning Agency is to release the figures for the growth of the nation's Gross National Product (GNP) in the second quarter at 3:30 P.M. Tuesday [22 September].

Economy 'Worst' May-August Period

OW2209040892 Tokyo KYODO in English 0346 GMT 22 Sep 92

[Text] Tokyo, Sept. 22 KYODO—The Japanese economy appears to have bottomed out from its slowdown phase in the first half of fiscal 1992, ending September 30, the director general of the Economic Planning Agency said Tuesday.

Agency chief Takeshi Noda also told reporters after a regular cabinet meeting that the Japanese economy was at its worst from May to August.

He made the remarks while commenting on preliminary national income statistics for the April-June quarter to be released Tuesday afternoon.

Noda also predicted that most industries will have completed the process of reducing inventories to optimum levels within this year.

He said the international monetary turmoil is unlikely to end anytime soon, noting that France approved the Maastricht Treaty on European union by a paper-thin margin and that further efforts will be necessary to coordinate differences among European countries on their proposed integration.

The foreign exchange market will not be stabilized unless the functions of the European monetary system return to normal, Noda said.

North Korea

Official Says Ties With Beijing Unchanged

OW1809052892 Tokyo KYODO in English 0501 GMT 18 Sep 92

[Text] Pyongyang, Sept. 18 KYODO—A high-ranking North Korean official said Friday that Pyongyang-Beijing relations will continue to develop and be strengthened despite China's recent establishment of diplomatic ties with South Korea.

Chon Kum-chol, one of the vice chairmen of the Committee for the Peaceful Reunification of the Fatherland, told Japanese reporters there will be no change in bilateral relations with China.

Chon's remarks were the first by a high-ranking official referring to North Korea's ties with China since Beijing opened diplomatic relations with Seoul late August.

He said it would have been better if Seoul took other measures that would contribute to reunification, reconciliation, and solidarity of the Korean peninsula than opening diplomatic ties with China.

But Chon added that Pyongyang is watching closely to find out what Seoul's intentions were in establishing ties with China.

Turning to inter-Korean summit talks, Chon hinted that such a meeting would be realized when South Korea forms a new government and changes its policy on reunification of the Korean peninsula.

He cited the scrapping of joint military drills by the United States and South Korea and the release of Im Su-kyong, a radical college student who secretly visited North Korea, as some of the conditions for realizing the summit talks.

Kim Yong-nam Leads Delegation to UN Session

SK1709112192 Pyongyang KCNA in English 1026 GMT 17 Sep 92

[Text] Pyongyang September 17 (KCNA)—A delegation of the Democratic People's Republic of Korea headed by Vice-Premier and Foreign Minister Kim Yong-nam left here today to participate in the 47th session of the United Nations General Assembly.

It was seen off at the airport by First Vice-Minister of Foreign Affairs Kang Sok-chu and other officials concerned.

Chief Delegate to IAEA Gives News Conference

SK2009012792 Pyongyang Korean Central Broadcasting Network in Korean 2300 GMT 19 Sep 92

[Text] The chief of our country's delegation to the September Board of Governors meeting of the International Atomic Energy Agency [IAEA] in Vienna, Austria, held a news conference at IAEA headquarters on 17 September.

The IAEA deputy general director, the chief of an IAEA information department, newspapers and news agency reporters, and reporters from Japanese, U.S., French, German, and other countries' radio were there.

Our country's chief delegate spoke at the news conference: He said that removing the danger of nuclear war and living in a world free of nuclear weapons are not only the unanimous desire of the people of all countries but also the basic idea behind the Nuclear Nonproliferation Treaty. He added that we have raised the issue of removing the nuclear weapons from the Korean peninsula not only as an issue of life and death for our nation but also as the essential demand for peace. He said that we have made steady efforts to denuclearize the Korean peninsula.

After pointing out that the issue of denuclearizing the Korean peninsula has not been resolved because of the differences of opinion between the North and the South, he said: A major stumbling block to implementing the joint declaration on denuclearization is nuclear inspection. According to the nuclear safeguards accord required by the IAEA, we have accepted irregular inspections three times. The IAEA inspections proved that our nuclear facilities are for peaceful purposes. We are receiving the IAEA inspections. Thus, the South Korean side should also accept our claim that overall inspection to confirm the absence of U.S. nuclear weapons and nuclear bases must be conducted.

The South Korean side, however, has objected to inspection of U.S. nuclear weapons and nuclear bases in South Korea since the North-South Joint Nuclear Control Commission held its first meeting. Even worse, it has not included the clause agreeing to an overall inspection of the U.S. nuclear weapons and nuclear bases in the draft agreements on the regulations for nuclear inspection.

The South side, while talking about trial inspection and inspection of equal numbers of sites, wants the inspection of our general military bases. This has nothing to do with the joint declaration on denuclearization.

The inspection of general military bases is not under the authority of the North-South Joint Nuclear Control Commission. If the inspection of general military bases is necessary for arms reduction between the North and the South, the North-South Military Committee can discuss the work.

The issue of nuclear weapons on the Korean peninsula originated from U. S. deployment of nuclear weapons in South Korea. Therefore, in order to implement the joint declaration on denuclearization of the Korean peninsula, inspection to confirm the existence of U.S. nuclear weapons and nuclear bases in South Korea should be conducted first.

Information showing that U.S. nuclear submarines still call at the U.S. nuclear submarine base in Chinhae in South Korea was revealed. This stresses the importance of inspecting U.S. nuclear weapons and nuclear bases in South Korea.

Nonetheless, the United States and South Korea have recently insisted that we must accept the inspection of general military bases. This insistence is a major stumbling block to implementing the joint declaration on denuclearization of the Korean peninsula. We claim that, because the South Korean side announced the absence of nuclear weapons in South Korea, it should accept inspection of U.S. nuclear weapons and nuclear bases in order to prove the absence of nuclear weapons.

South Korea's demand for special inspection becomes a major stumbling block to implementing the joint declaration on denuclearization of the Korean peninsula. Article Four of the joint declaration on denuclearization stipulates that the sites chosen by the other side and the sites agreed upon by both sides should be inspected. However, the South Korean side is insisting on special inspection counter to the article.

We hope that the meeting of the North-South Joint Nuclear Control Commission will proceed according to the contents already agreed upon.

Another stumbling block is the adoption of an agreement on implementing the joint declaration on denuclearization. Accepting an agreement on implementing the joint declaration on denuclearization is required by the North-South agreement. This is an essential demand for smoothly operating the North-South Joint Nuclear Control Commission.

Since the North-South Joint Nuclear Control Commission held its first meeting on 19 March 1992, we have put forward to the South Korean side not only the draft agreement on implementing the joint declaration on denuclearization but also the draft agreement on verifying the denuclearization of the Korean peninsula.

After exposing in detail the South Korean side's confession that it has no intent to denuclearize the Korean peninsula, he noted:

Such an action of the South Korean side, which has objected to accepting an agreement on implementing the joint declaration on denuclearization, is a stumbling block to achieving results from North-South Joint Nuclear Control Commission meetings.

We will make all sincere efforts to rapidly implement the joint declaration of denuclearization on the Korean peninsula.

After his speech, he answered reporters' questions.

Envoy Urges Dismantling Chinhae Submarine Base

SK2009235092 Pyongyang Korean Central Broadcasting Network in Korean 2300 GMT 15 Sep 92

[Text] In connection with the fact that the spokesman of our country's Foreign Ministry answered a reporter's questions about Japan's maneuvers to be a permanent member of the UN Security Council and issued a press statement calling for the dismantling of the U.S. nuclear submarine base in Chinhae in South Korea, a news conference was held in our country's embassy in the Russian Federation on 14 September.

Reporters from Russian newspapers, news agencies, and radio attended the news conference. Son Song-pil, our country's ambassador, spoke at the news conference:

First, after announcing the content of our Foreign Ministry spokesman's answers to the questions raised by a reporter of the Korean Central News Agency in connection with Japan's maneuver to be a permanent member of the UN Security Council, he said: Japan has recently maneuvered to be a permanent member of the UN Security Council. We cannot but be surprised at this. We cannot but express great apprehension and be alert for this. This is because it is very unreasonable for Japan, which has no quality to be a permanent member of the UN Security Council, to try to be a permanent member.

In fact, Japan has no basic quality to be a permanent member of the UN Security Council. Presently, the permanent members of the UN Security Council are the countries that were on the side of the allied nations during the World War II. It was Japan that brought about the war. Japan was a hostile country that fought against the side of the allied nations. Japan is regulated as a hostile country in a document of the United Nations.

In addition, it was none other than Japan that inflicted immeasurable suffering and countless disasters on our people and the rest of the Asian people. Even though nearly half a century has passed, Japan has not sincerely repented for its past crimes. Rather, it tries to whitewash its crimes.

Worse still, Japan has not adopted any clear measures to resolve a postwar issue concerning our country. Japan's crimes against our people and the rest of the Asian people are exposed every day. Nonetheless, Japan is trying to be a permanent member of the UN Security Council. This is a mockery to the UN Security Council's role.

Our country's people as well as the people of Asia and the rest of the world cannot overcome surging indignation and wrath against the inhuman crimes committed by the Japanese imperialists. Before it tries to be a permanent member of the UN Security Council, Japan should sincerely apologize for its past crimes. It should acquire the trust of the people of Asia and the rest of world people, including the Korean people.

If Japan, which is not trusted by the world, becomes a permanent member of the UN Security Council, the UN

Security Council cannot fulfill its duty. Japan should keep this fact in mind and act with discretion.

Next, after exposing the fact that the United States and the South Korean authorities continue to use the Chinhae Navy Base in South Korea as a U.S. nuclear submarine base, the ambassador pointed out:

The South Korean magazine MAL in September 1992 revealed that the United States built the nuclear submarine base in Chinhae in South Korea and continues to use it. The Chinhae U.S. nuclear submarine base was completed in the fall of 1979. U.S. nuclear submarines had come there on 40 occasions through 1982. It is said that Chinhae is still used as a forward base for strategic and tactical nuclear submarines of the U.S. Navy.

It is said that approximately 12 and 27 nuclear missiles can be loaded in the Los Angeles-class and Sturgeon-class nuclear submarines, repectively, coming to Chinhae. It is said that 200 kilotons of nuclear warheads are loaded in each missile.

Considering such a fact, we cannot but doubt the truth of U.S. President Bush's declaration of the withdrawal of strategic nuclear weapons as well as the truth of the South Korean authorities' declaration of the absence of nuclear weapons. This is a grave infringement on the joint declaration of denuclearization on the Korean peninsula. Accordingly, it is evident that the North-South mutual inspection, about which they are babbling, is nothing but a shield to conceal such nuclear bases as the Chinhae U.S. nuclear submarine base in South Korea.

We have already concluded accords on nuclear safeguards with the International Atomic Energy Agency and have received irregular inspections [pichonggisachal] on three occasions. The United States and the South Korean authorities, however, are constantly babbling about the nuclear issue. The United States and the South Korean authorities are trying to permanently station U.S. forces in South Korea. They are driving the situation on the Korean peninsula to the brink of war under the pretext of our development of nuclear weapons.

To remove the nuclear threat on the Korean peninsula, U.S. nuclear weapons and nuclear bases in South Korea should be completely removed. If this is realized, there would not be a nuclear issue on the Korean peninsula.

The fact that there is a U.S. nuclear submarine base in Chinhae proves the reality of our claim and the validity of our call for an overall inspection of U.S. nuclear weapons and nuclear weapons in South Korea.

If the United States withdraws all nuclear weapons from South Korea, there is no reason or excuse not to accept our claim. If the United States and the South Korean authorities have the will to implement the joint declaration of denuclearization, they should dismantle the U.S. nuclear submarine base in Chinhae, in South Korea. They should stop nuclear submarines from coming to Chinhae.

The IAEA is conducting nuclear inspections of us. Thus, they should make a bold decision to rapidly conduct the overall inspection of the U.S. nuclear weapons and nuclear bases in South Korea.

The ambassador answered reporters' questions.

Nuclear Inspection of U.S. Bases Urged

SK2209080192 Pyongyang KCNA in English 0437 GMT 22 Sep 92

[Text] Pyongyang September 22 (KCNA)—The deputy spokesman of the U.S. State Department at a press conference on September 18 provoked the DPRK, crying that its "nuclear development" remained a source of anxiety, according to a report of NIHON KEIZAI SHIMBUN of Japan.

On the same day, the NEW YORK TIMES carried an article crying down the results of the investigation of the peaceful nuclear facilities of the DPRK by the International Atomic Energy Agency (IAEA), contending that the inspection by the IAEA is not sufficient.

U.S. Ambassador to South Korea [Donald] Gregg that day told a news conference that it was probable that the DPRK might have moved its nuclear development facilities to other places.

Earlier, on September 11, "the U.S. Defense Department" in its 1992 "joint military net assessment" submitted to Congress said that the DPRK would "develop nuclear weapons in the near future." A few days earlier, Lilley, U.S. assistant secretary of defence for security affairs [name and title as received], at a "special news conference" threatened that the "Team Spirit" exercises, a nuclear war game, could be resumed, if the DPRK would not accept the "mutual surprise inspection" between the South and the North.

As reported, the general director of the IAEA in his report to the member nations of the IAEA board on September 15 stated that no proof of nuclear development was found in three rounds of specific inspection of the DPRK. He at a press conference upon the closure of the September meeting of the board of the governors held a few days later said that cooperation between the IAEA and the DPRK was going on smoothly and the DPRK was one of the countries which were behaving affirmatively to increase the transparence of their nuclear programs.

It has become harder for the United States to find an excuse to justify its policy of turning South Korea into a nuclear base with the glaring exposure of the real picture of its anti-DPRK smear campaign by the results of IAEA's investigation of the nuclear facilities of the DPRK. This is why it is provoking the DPRK, making bold to impair the authority of the IAEA.

The United States should stop talking nonsense, admitting the results of investigation by the IAEA and accept without delay the DPRK's just demand for an overall inspection of all its nuclear weapons and bases in South Korea.

Daily Says U.S. Seeks World Domination

SK2009122092 Pyongyang KCNA in English 1034 GMT 20 Sep 92

["Elimination of Nuclear Weapons Is Urgent Demand for Peace"—KCNA headline]

[Text] Pyongyang September 20 (KCNA)—Only disarmament and elimination of all the nuclear weapons will make it possible to prevent the threat of nuclear war and ensure a durable peace on the globe, says NODONG SINMUN today.

The analyst notes:

It is a unanimous desire of mankind to remove the threat of nuclear war and live in a peaceful world.

Even now when the cold war has been terminated, however, the imperialists are still seeking military upperhand, nuclear predominance and developing and producing nuclear weapons of new types while scrapping those of old types, motivated by the dominationist design.

It is not for peace that the United States has produced and stockpiled high-powered nuclear weapons of new types.

The U.S. strategy is to lord it over the world as the only dominator by using nuclear weapons as means of threatening other countries and forcing their will on them.

If a peaceful world free from nuclear threat is to be built, it is imperative, first of all, to totally eliminate nuclear weapons in the regions with the greatest danger of nuclear war.

The Korean peninsula still remains a region with a potential danger of nuclear war.

U.S. warships equipped with nuclear weapons have called at the Chinhae nuclear submarine base one after another. This offers a clear evidence showing that the United States and the South Korean authorities are planning to start a nuclear war against the DPRK.

They are now crying for an "inspection of the same number" and a "special inspection", raising outcrises over the "nuclear problem" of the DPRK. This is nothing but a smoke screen for veiling their policy of nuclear war.

In order to build a peaceful world free from nuclear weapons, it is important to refrain from nuclear war exercises against other countries, stop nuclear tests and prevent the development of new-type nuclear weapons.

To establish nuclear-free, peace zones in different parts of the world and expand them is a guarantee for removing the danger of nuclear war and ensuring peace.

The Korean people will as ever make strenuous efforts hand in hand with the world peaceloving people to denuclearize the Korean peninsula, totally eliminate nuclear weapons and ensure a lasting peace in the world.

Daily Warns Against Japanese Military Buildup

SK2209112992 Pyongyang KCNA in English 1021 GMT 22 Sep 92

[Text] Pyongyang September 22 (KCNA)—If Japan seek to be military power and head for a war, this will not bring anything good to the Japanese people themselves, warns NODONG SINMUN in a by-lined article today.

Noting that the Japan Defence Agency demanded military appropriations running into 4,720 billion yen in fiscal 1993 beginning in April next year, the article says:

This is 168,200 million yen more than the military expenditure of the current fiscal year and is more than 32 times the military spendings in 1957, the first year of the first arms buildup program.

The growth rate of Japan's military expenditure is the highest in the world.

It is a consistent ambition of the Japanese ruling quarters to protect the economic interests in Asia by force of arms and place this area under their influence not only economically but also militarily.

Japan's projected conversion into a military power is based on this design.

Japan is hastening the arming of the "Self-Defence Forces" [SDF] with high-tech weaponry with main stress on increasing the capabilities of the attack weapon system during the period of the 1991-1995 arms buildup program.

In this period, the defence agency plans to allot a big share of the military expenditure to the purchase of major combat equipment including interceptors, AWACS, ground to air intercepting missiles and anti-submarine patrol planes.

The arming of the "SDF" with such high-tech equipment is to become able to operate in any area of the world, if necessary.

Japan's conversion into a military power is being promoted in combination with her nuclear armament.

Japan which has long since stepped up nuclear development set up a nuclear weapon system capable of launching nuclear warheads in the period of the third arms buildup program (1967-1971) and has made material and technical preparations to become a nuclear power any moment she wanted it.

Japan's arms buildup and its scheme to become a military power are a grave threat to peace in Asia and the world.

The Asian people are watching with high vigilance Japan's moves to be a military power.

South Leader Denounced as 'Flunkeyist' for U.S.

SK2009112492 Pyongyang KCNA in English 1013 GMT 20 Sep 92

["Outburst of Pro-U.S. Flunkeyist Nature"—KCNA headline]

[Text] Pyongyang September 20 (KCNA)—The South Korean chief executive in an interview with THE NEW YORK TIMES on September 18 "called" on the United States to remain an "active player in Asia", according to an AFP [Agence France-Presse] report from New York.

He imprudently prattled that "whenever the U.S. played that role, the region has enjoyed stability and whenever the U.S. withdrew, we saw disputes and wars."

The fact that he let loose unhesitatingly such humiliating remarks in an interview with a foreign newspaper shows that he has not yet discarded or is not willing to drop the pro-U.S. flunkeyist nature.

His "call", in a word, boils down to entreating the United States to stay in Asia, South Korea in particular, for an indefinite period.

This is an act running diametrically counter to the three principles of the national reunification in which independence is put in the first place and, furthermore, a wanton violation of the North-South agreement which reaffirms the three principles.

And the fact that the press interview of a treacherous nature was timed to coincide with the 8th North-South high-level talks which adopted several annexed agreements for the implementation and observance of the North-South agreement reveals that the South Korean authorities still have an axe to grind, while talking about reunification at the negotiating table.

Daily Says South Rulers Must Probe Vote-Rigging

SK1809140592 Pyongyang KCNA in English 1017 GMT 18 Sep 92

["Source of Injustices Must Be Eradicated, Urges NODONG SINMUN"—KCNA headline]

[Text] Pyongyang September 18 (KCNA)—South Korean people of all walks of life and dissident democratic forces are demanding that the truth behind the "elections" rigging by the "Democratic Liberal Party" [DLP] be uncovered and the present ruler and the "DLP president" make an apology to the people after the former "head" of Yongi County, South Chungchong Province, exposed some time ago the power-backed "election" rigging by the "DLP" in the last "parliamentary elections". They are also strongly demanding that the former "director of the Security Planning Board" and the "home minister" be punished and the "elections of chiefs of local autonomous bodies" be held within the year.

NODONG SINMUN today notes that this demand of the South Korean people is only too natural and reasonable and it is an elementary demand for democracy and fair elections in South Korea.

The analyst says:

If the "DLP" is truly willing to make the forthcoming "presidential elections" fair elections by free competitions among the "candidates", why is it refusing to rip away the curtain concealing the truth behind the power-backed "elections" rigging and insisting on putting off the "elections of the chiefs of local autonomous bodies" which the people are demanding to be held within the year?

Both for the democratic development of the South Korean society and for fair elections, the source of injustices must be uprooted first of all in South Korea.

The "DLP" is now neglecting what it should do because its swindle in the "elections" is too heinous and the the upper echelons of the ruling quarters are involved in it. So, the "DLP" is trying hard to cover up the truth behind the "election" rigging and understate it.

But any trick or crafty ruse of the "DLP" cannot go down with the people.

The "DLP" must look straight into the reality, act with discretion and make clear the truth behind the "election" rigging as demanded by the people.

Yang Hyong-sop Fetes ROK Delegates 17 Sep

SK1909131592 Pyongyang Korean Central Broadcasting Network in Korean 2100 GMT 17 Sep 92

[Text] Yang Hyong-sop, chairman of the Supreme People's Assembly [SPA], arranged a banquet for delegates from the South to the eighth North-South high-level talks at the Moknan House yesterday evening.

The invited guests from the South were led by Prime Minister Chong Won-sik, and included delegates and reporters. The delegates from the North were led by Yon Hyong-muk, premier of the Administration Council. Other officials from the North, including Yo Yon-ku and Paek In-chun, SPA vice chairmen; Chong Sin-hyok, chairman of the Central Committee of the Chondoist Chongu Party; Kim Yong-ho, vice chairman of the Central Committee of the Korean Social Democratic Party; and officials representing the working people's organizations and the fields of education, science, health, and cultural also attended the banquet.

Chairman Yang Hyong-sop delivered a speech at the banquet:

He first expressed gratitude to the delegates who have spared no effort in Pyongyang and Seoul to build a bridge for reunification between the North and the South. He said that, as concrete measures to implement the North-South agreement, the annexed agreements were adopted and validated and the Joint Reconciliation Committee was inaugurated at the eighth Pyongyang talks. He added that this is another event that delights our people who desire reunification and the opening of a broad avenue toward achieving reunification in the 1990's.

He said that if both sides do not implement the North-South agreement confirming reconciliation, nonaggression, and exchanges and cooperation, it is impossible to ponder the meaning of the North-South agreement. He added that even though seven months have passed since fellow countrymen applauded and shouted for reunification when the North-South agreement was adopted and validated in February, tangible fruition has not yet actually been borne.

He said that it is very regrettable and a pity that an atmosphere of genuine reunification, in which all fellow countrymen can freely visit the North and the South, hold contacts, communicate with each other, and discuss the issue of reunification, has not been created.

He stressed that, only when figures of all strata in the North and the South can freely visit wherever they wish, talk to each other, and discuss the issue of reunification without reserve, can they dispell each other's misunderstanding and mistrust, achieve reconciliation and unity, and pool strength and wisdom over the course of seeking cooperation and realizing reunification.

He said that it is regrettable that legal and institutional devices still obstruct freely visiting the North and the South. He stressed that because the North-South agreement was adopted and validated, various devices that undermine national reconciliation should be removed. He stated that there should be an open road for any fellow countrymen to freely visit the North and the South.

He said that fellow countrymen in the North and the South, who are linked by blood, cannot have distrust, antagonism, and a boundary of division. He added that neither the North nor the South should try to maintain the remnants of the era of confrontation that existed before the North-South agreement was adopted. He stressed that the North and the South should not hesitate to remove such remnants to be faithful to the agreement on national reconciliation, unity, and cooperation.

He stated that to create a favorable condition for national reunification, we have adopted the North-South agreement and we are trying to implement it. He added that, because reunification is our goal, the issue of deciding a national common reunification method is important to achieving reunification. Toward this end, he noted that in recent years we have repeatedly claimed that a political consultative conference for national reunification should be convened, with the participation of the authorities of the North and the South, as well as representatives of political parties and organizations, to decide on a method of national reunification.

He said that, considering the circumstances of our country, in which two different ideas and systems exist in the North and the South, the most reasonable and realistic method of national reunification is a confederation based on the principle of neither side conquering the other nor being conquered by the other.

Stressing that we are ready to discuss any method of reunification regardless of who proposes it, if it is realistic and corresponds to the nation's aspirations, he maintained that a political consultative conference for national reunification should be convened without delay.

He noted that to successfully provide this great historic conference, bilateral and multilateral contacts and a dialogue between representatives of each political party, each faction and each class in the North and the South, as well as the politicians, should be realized at an early date. He stressed that we opened such a door for reunification to all the people and that we are willing to respond to the invitation of any political party or organization.

He pointed out that if the political consultative conference for national reunification is convened, an agreement will certainly be reached on the method of national reunification and bright prospects will open up for national reunification. Taking this opportunity, he expressed the hope that representatives of various political parties and public organizations in the South, not to mention the South Korean authorities, will actively respond to our proposal for negotiations for reunification.

Prime Minister Chong Won-sik, senior delegate of the South side, then spoke.

He expressed gratitude for the splendid banquet for the delegates from the South who came to Pyongyang for the eighth North-South high-level talks. He noted that the two sides had finally reached tangible agreements on the new implementation of North-South reconciliation, nonaggression, and exchange and cooperation.

He called for us to expedite the glorious future by bringing about good results in practical works for the peaceful reunification of the nation through mutual North-South cooperation.

Commentator on Results of North-South Talks

SK2109103892 Pyongyang Korean Central Broadcasting Network in Korean 1150 GMT 18 Sep 92

[Commentary by station commentator Yun Pyong-son: "A Meaningful Talk That Has Laid Practical Foundation"]

[Text] As already reported, the eighth round of the North-South high-level talks that opened in Pyongyang on 16 September ended on 17 September. At the just-concluded talks, the North and the South adopted and put into effect three annexed agreements related to three areas—reconciliation, the military, and cooperation and exchange—after a serious discussion of a series of issues, and then inaugurated the North-South Joint Reconciliation Committee.

An agreement on the results of the eighth round of the North-South high-level talks was announced at the end of the talks. With this completed, the North and the South have come to lay a feasible foundation for implementing the North-South agreement in compliance with the desire and aspiration of all fellow countrymen and have opened the door to a practical phase of realizing reconciliation, unity, and reunification. This is further success and epoch-making progress along the road to national reconciliation, unity, peace, and reunification.

In retrospect, there were many twists and turns before the North-South high-level talks brought meaningful results in the eighth round. As is widely known, we presented proposals at subcommittee meetings concerning the annexed agreements, which contain reasonable and specific ways to put the agreement into practice, for the faithful implementation of the North-South agreement, and have made every sincere and patient effort in that regard.

Even when the talks stood stagnant, without any progress being made due to the South side's stubbornness and unjust behavior, we offered counterproposals and compromises, reflecting the South side's will and demands, patiently persuading and making concessions. At the just-concluded talks, as well, our side made every effort in a bid to narrow the differences of opinion and to reach an agreement.

The entire course of the North-South high-level talks leading up to the eighth round shows that the North and the South have no problems that cannot be resolved and that they can solve all problems that appear along the road to reunification if they make sincere efforts and adopt a correct stance.

The annexed agreements that have been adopted and put into effect during the just-concluded talks are somewhat unsatisfactory. However, given the fact that they have removed the state of political and military confrontation that has continued between the North and South for nearly half a century and that the two sides have come to formalize institutions that will enable them to realize diversified cooperation and exchange, their significance is enormous.

Even though good results were achieved during the recent talks, the talks fell short of expectations on some points. The South side did not respond positively to the repatriation of the old man Yi In-mo and the release of visitors to the North, issues that we have raised, and opposed our proposal for the North and South to jointly deal with Japan's past crimes, nuclear armaments, and the dispatch of troops overseas. This shows that the South side has not freed itself from the outdated concept of the confrontational era and gives priority to its relations with Japan over national dignity and security. By resolving as soon as possible the issue of repatriating Yi In-mo and releasing visitors to the North, the South side will prove that it has the will for reconciliation and unity and should accept our just proposal to convene a meeting to adopt joint measures against Japan.

Since the annexed agreements in various fields for implementing the North-South agreement have been adopted and put into effect, various joint committees will function. When the operation of these joint committees normalizes, it will no doubt eventually promote North-South reconciliation and detente and hasten reunification. The problem is for the two sides to sincerely implement the documents of agreement, which have been adopted and put into effect, to ensure their worth.

No matter how good the agreement documents are, if they are not implemented, they are meaningless. Therefore, both the North and the South must assume a firm stance of national sovereignty and reunification, assign priority to national interests, and implement the North-South agreements in compliance with national interests.

The South side must no longer use the North-South agreement for insidious strategic purposes, distort the spirit of the agreement, and build obstacles to implementing the agreement. Instead it must accept our demand for full inspection of the U.S. nuclear weapons and nuclear bases in South Korea.

The annexed agreements, as well as the North-South agreement, are promises made by both the North and the South to the fellow countrymen. No one has the right to violate them. The South side must show its willingness for reconciliation, unity, peace, and reunification by sincerely implementing the North-South agreements.

Commentary Links Ties to Yi In-mo's Release

SK2209052492 Pyongyang Korean Central Broadcasting Network in Korean 1150 GMT 19 Sep 92

[Commentary by station commentator Yun Pyong-son: "Problems Which Should Be Urgently Solved"]

[Text] The annexed agreements concerning the three fields of reconciliation, the military, and cooperation and exchange were signed and put into effect, and even a joint reconciliation committee was formed at the eighth North-South high-level talks held in Pyongyang. Thus, basic work has been finalized to comprehensively implement the North-South agreement.

This is another momentous advance achieved along the road toward reunification. In view of this, we can say that the recent talks were successful talks that bore excellent fruit, following many rounds of prior talks.

Not all of the problems, however, were satisfactorily resolved at the talks. A couple of problems that were not resolved, even though we expected that they would be deservedly settled at the talks, are the issue of the repatriation of the old man Yi In-mo and the issue of the release of the visitors to the North.

At the talks, our side expressed deep concern about the fact that the repatriation of the old man Yi In-mo has been constantly delayed. We again strongly urged the South side to send him back without delay before it is too late. Our side also expressed the hope that the issue of releasing the visitors to the North would be resolved without fail before the incumbent ruler's term of office expires.

The South side, however, evaded giving any affirmative response on this. Its act is indeed deplorable and lacking propriety. The issue of the repatriation of the old man Yi In-mo and the issue of releasing the visitors to the North are not issues merely related to themselves, but are important pending issues directly linked to humanitarianism and national reconciliation.

As has been known, the old man Yi In-mo became a prisoner of war when he went to South Korea as a war correspondent of the Korean People's Army during the Korean war. He should have been deservedly repatriated to the northern half of the Republic at the time of the exchange of prisoners of war immediately after the armistice.

The International Red Cross Society also expressed its position that he should have been treated as a prisoner of war. He has, however, been imprisoned in South Korea for as long as 34 years, suffering unimaginable pain in prison. He is now disabled and unable to freely move his body and racked by disease. He is barely living the last moments of his life.

It is a duty that we should deservedly fulfill as human beings and as fellow countrymen to allow him to live a life worthy of a man, even in the later stage of his life, by sending him back to his hometown, as he wants, where his family is anxiously waiting for him. It is an issue that should be resolved with precedence over any issue concerning separated families.

The South side is attempting to link the issue of the repatriation of the old man Yi In-mo with such other issues as the repatriation of those who were kidnapped to the North and so forth. This is indeed unreasonable.

There are a number of people in the northern half of the Republic who voluntarily came to the North to seek a new and better life. But there is not even a single person who was kidnapped to the North as the South side claims. Moreover, not one of the people the South side claims were kidnapped to the North wants to return to the South.

The South side's maneuvers to assume the issue of the repatriation of the old man Yi In-mo as a political bargaining chip by presenting various preposterous issues cannot convince anyone.

If the South side misses a chance while evading the issue of the repatriation of the old man Yi In-mo, the South side will never be able to compensate him for his hurt or clear itself of this crime.

The issue of releasing visitors to the North, including Rev. Mun Ik-hwan, coed Yim Su-kyong, Father Mun Kyu-hyon, and Mr. Yu Won- ho, should be resolved at an early date. The visitors to the North carried out just activities toward reunification by visiting Pyongyang with ardent aspirations to reunify fellow countrymen in the South. They opened the door of the road toward independent dialogue by civilians. They are patriotic forerunners of reunification. They have no reason whatsoever to suffer pain in prison.

That the South Korean authorities are oppressing them in prison is intolerable in view of the demands of the developing situation in which the North-South agreement is in the implementation stage. How they handle the issue of the repatriation of the old man Yi In-mo and the issue of releasing the visitors to the North is a yardstick to decide whether they really want to resolve humanitarian issues, promote national reconciliation and unity, and achieve reunification or want confrontation and division.

If these issues are resolved, affirmative changes will take place in North-South relations and the work of implementing the agreements will undoubtedly be revitalized.

The South Korean authorities should make efforts to resolve these issues at an early date from the standpoint of humanitarianism and national harmony instead of making various unreasonable excuses.

Paper Denounces 'Crackdown' on South Dissidents

SK2209075692 Pyongyang KCNA in English 0451 GMT 22 Sep 92

["NODONG SINMUN Hits At Crackdown on Dissident Democratic Forces by South Korean Authorities"—KCNA headline]

[Text] Pyongyang September 22 (KCNA)—The South Korean authorities are cracking down the permanent chairman of the National Alliance for Democracy and Reunification (Chonguk Yonhap) after issuing an arrest warrant for him. And they have launched a mad campaign of surprise search and seizure, walking off, and arrest everywhere.

NODONG SINMUN Tuesday denounces this as a prearranged fascist rowdyism intended to stifle the proreunification democratic forces standing in the way of their stay in power and maintain and prolong the military dictatorship.

The analyst says:

It is a lawless fascist arbitrariness which cannot be justified with any excuse for the South Korean authorities to brandish the sword, branding all the movements of the people of all social strata for independence, democracy and reunification as "illegal."

It is only too natural that the South Korean people of all sections aspire after national reconciliation and unity between the North and the South and are rising up against the dictatorship of the "Democratic Liberal Party" under the banner of independence, democracy and reunification. It is a patriotic action which cannot be criminalised.

The South Korean authorities must stop at once their reckless sword-brandishing at the dissident democratic forces.

Should they persistently attempt to get something from their hysteric repression, it would only trigger off a massive resistance of the people. Thus they will, in the long run, wring their own neck and shorten the way to their grave.

Kim Il-song Receives Red Cross Delegation

SK1709111892 Pyongyang KCNA in English 1028 GMT 17 Sep 92

[Text] Pyongyang September 17 (KCNA)—The great leader President Kim Il-song today received the visiting delegation of the International Committee of the Red Cross headed by its President Cornelio Sommaruga.

Present on the occasion were Yi Song-ho, acting chairman of the Central Committee of the Red Cross Society of the DPRK, and Yi Chol, permanent delegate of the DPRK to the U.N. office and to international organisations in Geneva.

President Kim Il-song had a talk with the guests in a cordial and friendly atmosphere.

President Kim Il-song was presented with a medal of the I.C. of the Red Cross by the head of the delegation.

He gave a luncheon for the guests.

Foreign Minister Meets Red Cross Delegation

SK1709064292 Pyongyang KCNA in English 0546 GMT 17 Sep 92

[Text] Pyongyang September 17 (KCNA)—Vice-Premier and Foreign Minister Kim Yong-nam met and had a friendly talk with a delegation of the International Committee of the Red Cross led by President Cornelio Sommaruga at the Mansudae Assembly Hall Wednesday.

Kim Il-song Receives Korean Groups From Japan

SK1409142892 Pyongyang KCNA in English 1044 GMT 14 Sep 92

[Text] Pyongyang September 14 (KCNA)—The great leader President Kim Il-song today received the home-visiting group of the Advisory Committee of the Tokyo metropolitan headquarters of the General Association of Korean Residents in Japan (Chongnyon) headed by An Sang-chun, the delegation of the Hyogo prefectural Advisory Council of Chongnyon led by Choe Chang-u and the home-visiting group of educational workers of Chongnyon headed by Pak Kwang-ki, staying in the socialist homeland.

Officials concerned were present on the occasion.

The members of the visiting groups and delegation extended highest glory and thanks representing the unanimous loyalty of the Chongnyon functionaries and 700,000 Koreans in Japan to President Kim Il-song and wished him good health and long life.

President Kim Il-song gladly met and had a cordial talk with them.

He arranged a luncheon for them.

Kim Il-song Gives On-the-Spot Guidance at Farm

SK1709044392 Pyongyang KCNA in English 0400 GMT 17 Sep 92

[Text] Pyongyang September 17 (KCNA)—The great leader President Kim Il-song gave on-the-spot guidance to the Changchon Cooperative Farm in Sadong District, Pyongyang, on September 16, for the 15th time.

He was accompanied by secretary of the Central Committee of the Workers' Party of Korea So Kwan-hi, Vice-Premier of the Administration Council Kim Chang-chu and chairmen of provincial agricultural management committees and other officials concerned.

President Kim Il-song acquainted himself with the growth of crops, while going round various fields of the farm, and expressed great satisfaction over the gratifying rich crops cultivated by the farmers by doing farming well in hearty response to the agriculture-first policy of the party.

Saying it is a very good thing that leading officials and agricultural working people of the Changchon cooperative farm brought about a signal turn in grain production by strengthening creative cooperation with agro scientists and technicians, he highly estimated their success in work.

He met with scientists and technicians who greatly contributed to raising grain production on the field of the farm and acquainted himself down to details with their research work and praised them for devoting all their wisdom and energy to agricultural scientific researches.

He gave highly important teachings to rapidly increase agricultural production.

He said that irrigation and electrification in rural areas of Korea had been successfully completed already long ago, with the result that farming is being done on a safe basis, unaffected by any long spell of drought and flood, and projects for widespread use of chemicals and mechanization of agriculture have been pressed ahead to consolidate material and technical foundations for steadily increasing agricultural production.

The fundamental way to constantly increase grain production in our country with limited areas under cultivation, he went on, is to steadily boost per hectare yield by breeding many good-quality strains suited to the climatic and soil conditions through the vigorous green revolution without respite.

Saying the chuche method of farming set out by the party is a most scientific and advanced one whose advantages have been proved clearly in practice, he instructed that the requirements of the chuche method of farming should be met strictly in all the processes of farming including sowing, weeding and fertilizing.

He stressed the importance of thoroughly implementing the tasks laid down in the rural theses and further strengthening state guidance to agriculture to consolidate and develop the superior socialist rural economic system of Korea based on collectivism.

South Korea

No Tae-u Begins 'Extensive Diplomatic Activities'

SK1909041992 Seoul YONHAP in English 0255 GMT 19 Sep 92

[Text] Seoul, Sept. 19 (OANA-YONHAP)—South Korean President No Tae-u begins extensive diplomatic activities Sunday with a visit to the United Nations.

With less than six months left in office, No is expected to cap off his administration's diplomacy by tying up loose ends.

He will return from the United Nations before going to China for the first Seoul-Beijing summit. Upon return from Beijing he will receive King Baudouin I of Belgium, Chancellor Helmut Kohl of Germany and possibly President Francois Mitterrand of France in October, and Russian President Boris Yeltsin in November.

Officials sum up the diplomacy as strengthening ties with the United Nations, whose role and influence are growing in the post-Cold War era, reaffirmation of traditional relations with Europe and the final touch to "nordpolitik" following Seoul-Beijing diplomatic normalization last month.

No's visit to the United Nations, his third as president, is to focus on explaining the prospects of inter-Korean relations to the international community and on solidifying South Korea's diplomatic position in the global body through multilateral contacts and an expanded role, they say.

No is expected to lay out in his keynote speech Seoul's policy on national reunification and means of support and assistance to U.N. peace efforts such as the peacekeeping operations (PKO).

Officials here attach special meaning to this year's keynote speech, which, unlike previous ones, will be firmly based on South Korea's activities for the past year as a full member of the United Nations.

The United Nations will be a plaza of diplomacy for No, who has scheduled meetings with U.N. Secretary-General Butrus Butrus-Ghali, Indonesian President Suharto, Chinese Foreign Minister Qian Qichen and Japanese Foreign Minister Michio Watanabe.

Although the Korea-U.S. summit has been canceled due to U.S. President George Bush's reelection campaign schedule, No will meet with ranking officials.

"There are numerous new variables that will influence the political situation on the Korean peninsula such as Seoul-Beijing diplomatic normalization," a Foreign Ministry official said.

"Considering the coming South Korea-China, South Korea-Russia summits, No's contacts with U.S. leaders during the U.N. visit will serve as opportunities to harmonize viewpoints," he said.

No's U.N. trip is to serve a double purpose, officials say. He will continue with South Korea's long-term diplomacy with the United Nations as a full member and maintain close consultation with the United States.

Summits with Russia and China, in turn, symbolize South Korea's regional diplomacy of trying to don a leadership role.

Diplomatic normalization with Moscow in 1990 and with Beijing Aug. 24 removed major barriers to peaceful reunification of Korea and signaled it is the right time to build peace and stability in Northeast Asia.

The summits, officials say, are signs that South Korea is taking on the leadership amid the fast-changing circumstances.

Foreign Minister Discusses UN, Ties With North

SK2109124392 Seoul SEOUL SINMUN in Korean 17 Sep 92 p 4

[Interview with Yi Sang-ok, ROK foreign minister, by Kang Su-ung, SEOUL SINMUN political department director, on 16 September; place not given]

[Excerpts] [Kang Su-ung] President No Tae-u's participation in the upcoming UN General Assembly is controversial these days. Will you tell me your opinion on this, before going into the main subjects?

[Yi Sang-ok] It is wrong to regard the president's UN diplomacy as a ceremony-conscious junket. It is a usual and normal diplomatic method for the head of a state or government of a UN member country to attend the UN General Assembly and to make a keynote speech. [passage omitted]

[Kang] What diplomatic policies do you think the new government will have to emphasize?

[Yi] I think it should embark on full-scale diplomacy for reunification based on the diplomatic basis prepared by the Sixth Republic. The doors to Moscow and Beijing have already opened. We should make more efforts to open the door to Pyongyang, although the road to Pyongyang has been paved.

[Kang] What do you think will be the significance of President No's visit to China and the expected results?

[Yi] The upcoming ROK-Chinese summit, which will be the first summit between the two countries in history, will normalize the uneasy relations that have lasted for decades between the two countries and will establish the basis for new relations of amity and neighborliness between the ROK and China based on the principle of equality and reciprocity. I believe it will contribute to peace and stability in Northeast Asia, in particular, to improving South-North relations.

[Kang] The situation around the Korean peninsula has changed very much since the ROK and China established diplomatic ties. Corresponding to this trend, North Korea is anxious to improve relations with the United States and Japan. What is our position on this?

[Yi] The establishment of ROK-Chinese diplomatic ties has no direct effect on North Korea establishing diplomatic relations with the United States and Japan. North Korea should deeply consider how to change itself and should dare to practice it. Only after completely dissolving the suspicions over its nuclear development and after being recognized as a responsible member of international society can North Korea expect improvement of its relations with the United States and Japan. The United States and Japan have the same view as the ROK, and these three countries maintain close cooperation among one another. [passage omitted]

[Kang] The role of the United Nations in maintaining world peace and prosperity has been emphasized in recent days, and relations between South and North Korea have improved since joining the United Nations. What do you think is the significance of our joining the United Nations in our external relations?

[Yi] First of all, it created momentum for the beginning of the peaceful coexistence system on the Korean peninsula. Being obliged to observe the purpose and principles of the UN Charter, South and North Korea have prepared more favorable conditions for easing tensions and securing peace on the Korean peninsula.

Our country has achieved remarkable results, including obtaining the membership of important UN organizations, in strengthening its position in the international arena during the short period of less than one year. It will apply for the membership of the Economic and Social Council at the upcoming UN General Assembly and is considering applying to be a nonpermanent member of the Security Council in the near future.

[Kang] President No Tae-u is going to make his third speech at the UN General Assembly on 22 September. Can you tell me the gist of his speech and his main activities during his visit to the United Nations?

[Yi] President No will express our position on important pending international issues in his keynote speech at the General Assembly on 22 September. He will also explain our efforts to build peace in Northeast Asia in the course of reorganizing the order in this area and to realize South and North Korea's reunification. He is expected to bolster the international supporting basis for this. Also, he will contact and exchange views with many countries' leaders and important UN leaders, including Secretary General Butrus-Ghali and General Assembly Chairman Ganeff [name as published]. [passage omitted]

[Kang] A direct contact between the South and North Korean missions to the United Nations was held last year right after joining the United Nations. What is your view on the prospect of cooperation between South and North Korea in the United Nations and in Geneva?

[Yi] No regular contacts are being held now. However, the two sides meet and exchange views with each other upon request by either side. At present, both sides' ambassadors or counselors unofficially make contact to sound each other on possibilities of cooperation in various fields. They have not yet reached the stage of holding full-scale discussions on practical issues, such as defining a joint position on specific issues.

Government Postpones Mission to Taiwan

SK1909031992 Seoul YONHAP in English 0304 GMT 19 Sep 92

[Text] Seoul, Sept. 19 (YONHAP)—The dispatch to Taiwan of a working-level government mission to negotiate new bilateral relations has been postponed because Taiwan refuses to accept the mission.

Kim Sok-u, the Foreign Ministry's director-general for Asian affairs, called in Wang Kai, a minister at the former Taiwanese Embassy in Seoul, Saturday morning to discuss the dispatch the mission.

Wang said Taipei could not accept the mission unless Seoul allowed the Taiwanese representative office that is expected to be set up in Seoul pending a bilateral agreement to use Taiwan's official title and flag.

Kim said this was impossible.

The government had planned to send a 12-member delegation headed by Ambassador-at-large Kim Tae-chi.

The press bureau of Taiwan said a working-level mission need not visit Taiwan unless Seoul respected Taipei's basic position.

It said Taiwan was not interested in discussing its relations with Korea as long as No Tae-u was president.

Germany's Kohl Postpones Visit Until Early 1993

*SK2209022692 Seoul YONHAP in English
0216 GMT 22 Sep 92*

[Text] Seoul, Sept. 22 (YONHAP)—German Chancellor Helmut Kohl has postponed his trip to Seoul from mid-October until some time after February 1993, informed diplomatic sources said Tuesday.

Sources at the German Embassy and the Korean Foreign Ministry said postponement of the trip was due to Kohl's tight schedule, including an emergency summit meeting of the European Community.

A Foreign Ministry spokesman said the government had yet to be formally informed of the postponement.

"We are just querying the German Government about it through our mission in the country," he said.

EC Places Antidumping Tariff on Computer Chips

*SK1809033992 Seoul YONHAP in English
0156 GMT 18 Sep 92*

[Text] Brussels, Sept. 17 (YONHAP)—The European Commission announced a provisional 10.1-percent anti-dumping tariff on computer chips sold by three South Korean firms Thursday.

Goldstar Electron Co., Hyundai Electronics Industries Co. and Samsung Electronics Co. exported their Dynamic Random Access Memories (DRAMs) to the European Community for half the price they were asking in Korea, hurting EC electronics companies, the commission said.

The firms tripled their EC market share between 1986 and 1990 and turnover rose nine-fold from 19 million European currency units (24 million U.S. dollars) in 1986 to 170 million ecus (213 million dollars) in 1990, it said.

In March 1991, the EC launched an anti-dumping investigation into DRAM chips from Korea after a complaint was lodged by the European Electronic Component Manufacturers' Association (EECA).

* Seoul, Moscow Move Toward Normalization

* Foreign Minister in Moscow

*922C0203A Seoul CHUNGANG ILBO in Korean
29 Jun 92 p 1*

[Report from Moscow by a joint coverage team]

[Text] Foreign Minister Yi Sang-ok, who is currently visiting Russia, held an ROK-Russia foreign ministerial talk with his Russian counterpart Andrey Kozyrev at the Russian Foreign Ministry building on the morning of 29 June (the afternoon of 29 June by Korea Standard Time). At this meeting the two foreign ministers adopted a draft "treaty on basic relations" between the two states and agreed to arrange for the presidents of the two countries sign the treaty when Russian President Yeltsin visits Seoul in September.

The basic treaty, consisting of a preamble and 14 articles, stipulates (in Article 1) that "the two countries will develop lasting friendly and cooperative relations between them as friendly neighbors" and make "joint efforts" to overcome the consequences of the unfortunate period common to them in their histories. The treaty provides that "the two countries shall refrain from armed threats or the use of arms against each other, and shall settle all disputes by peaceful means." It also provides that "in order to strengthen cooperation in all fields—economic, industrial, trade, investment, scientific, technological, and cultural, the two countries shall expedite the conclusion of relevant agreements."

Sharing the same view that Russian President Yeltsin's scheduled visit to Seoul in September will add an epochal momentum to strengthening the relationship between the two countries, the ROK and Russian foreign ministers agreed to arrange for President Yeltsin to address the ROK National Assembly when he visits Seoul.

As part of "efforts to overcome the consequences of the unfortunate period" in the past as stipulated in the preamble of the basic treaty, the Russian side is said to be considering ways to officially confirm whether or not forces of the former Soviet Union participated in the Korean war and whether or not Kim Il-song and Stalin conspired together to start the Korean war.

Regarding the ROK-Russian basic treaty, a high-ranking ROK government official said, "the ROK-Russian basic treaty reduces the treaty of mutual friendship and assistance between North Korea and the former Soviet Union to a mere scrap of paper." He added, "Russia will press for a revision of this treaty sooner or later."

* Editorial Comments on Ties

*922C0203B Seoul HANGUK ILBO in Korean
1 Jul 92 p 2*

[Editorial: "Self-Reflection Is in Order in the Age of Good-Neighbor Relations Between the ROK and Russia"]

[Text] The Russian flagship (Palada) entered Komun Island in 1854 bringing Korea into its first contact with Russia. The flagship was the first Russian vessel ever to enter a Korea port. In 1884, 30 years later, a Korean-Russian commercial treaty was signed marking the establishment of formal diplomatic relationship between the two countries.

As a consequence of the Russo-Japanese war 20 years later, the relationship between Korea and Russia was terminated with the abrogation of the commercial treaty and the withdrawal of the Russian diplomatic mission. In 1990, 86 years later, the ROK established historic diplomatic relations with the former Soviet Union at the ambassadorial level, thereby entering into new relationships with Russia.

The "treaty on basic relations," the final draft version of which was adopted by ROK Foreign Minister Yi Sang-ok and Russian Foreign Minister Andrey Kozyrev during Yi's current stay in Moscow, marks a new milestone in elevating the relationship between two countries onto the level of a good-neighbor relationship.

An examination of its substance indicates that the treaty codifies in more concrete terms the "declaration on the general principles governing ROK-USSR relations," which was adopted during President No Tae-u's visit to Moscow in December 1990. The declaration, known as the Moscow declaration, spells out various principles which will be sought as the basic direction in the bilateral relationship—principles such as equal sovereignty, territorial integrity, political independence, mutual respect, noninterference in each other's internal affairs, observance of International Law, settlement of disputes by peaceful means, promotion of mutually beneficial cooperation, expansion of exchanges in all fields, and support for inter-Korean dialogues.

In the preamble the basic treaty provides that the two countries will "make common efforts to overcome the consequences of the unfortunate period common to them in their histories and make joint pursuit of values such as free democracy, human rights, and market economy."

The text of the basic treaty consists of 14 articles, including the following stipulations: that "the two countries shall develop lasting friendly and cooperative relations between them as good neighbors"; that "the two countries shall refrain from armed threats or the use of arms against each other and settle all disputes by peaceful means"; and that "in order to strengthen cooperation in all fields—economic, industrial, trade, investment, scientific, and technological, the two countries shall expedite the conclusion of relevant agreements." Russia—the country that was the accomplice in the 25 June 1950 invasion of the South and a former enemy in the cold war age—is becoming our partner in bilateral cooperation. What a change!

The establishment of a friendly relationship between the ROK and Russia is of great significance in the order in Northeast Asia. We hope that this friendship will play the role of holding Japan in check at a time when the forthcoming Japanese troop dispatch for UN peacekeeping operations and other Japanese moves make us apprehensive of the revival of militarism in Japan. It will be accompanied by the great effect of helping to check North Korea's ambition for nuclear development.

The basic treaty is different in nature from the treaty of friendship and cooperation as proposed suddenly by then USSR President Gorbachev during the 1991 ROK-USSR summit in Cheju—the Gorbachev proposal subsequently ended in smoke. The basic treaty therefore is unlikely to affect in any way the present relationship between the ROK and the United States bound together by a defense treaty.

Reportedly, the foreign ministers worked out the draft treaty in a hurry so that it could be signed during President Yeltsin's scheduled visit to Seoul in September. Our people are as much interested in how deeply the Russians are examining their conscience about the wrongs done by the Soviet Union in the past as in the signing of the basic treaty.

The whole truth about the 1983 downing of the KAL passenger jet which deprived 269 persons aboard of their lives has not yet been made public. No full-fledged talks have been held to discuss the measures Russia should take, such as apology and compensation. The same is true with the Soviet complicity in the 1965 invasion of South Korea. What is most important in this regard is for Russia to show its sincerity. On the other hand, the ROK Government has also many things to reflect on. Our government was in such a hurry to establish diplomatic relations with the Soviet Union that it passed up the opportunity to get what was due to us while providing the Soviet Union with a $3 billion economic cooperation package.

These are the things that our government should keep in mind in developing a new relationship with Russia in the wake of the collapse of the Soviet Union.

Vice Prime Minister Choe Likely To Visit North

SK1909145792 Seoul KBS-1 Television Network in Korean 1200 GMT 19 Sep 92

[Report by Yi Chong-hak]

[Text] In today's press roundtable talk, Economic Planning Board Vice Minister Han Kap-su, who returned home after participating in the eighth North-South high-level talks as the South's delegate, said that Vice Prime Minister Choe Kak-kyu would likely visit North Korea early next month, at the latest, as North Korea proposed 3 October as a date for him to visit.

Vice Minister Han said that the visit by the investigation team to North Korea should be realized to promote the Nampo joint venture. The joint investigation team composed of civilians and officials will be sent to North Korea either late this month or early next month. The correct itinerary and schedule will be decided at the North-South liaison officials' contact on 22 October.

Vice Minister Han said: It is not necessary at all to link the materials exchanges between the North and South to the nuclear issue. Direct trade, therefore, based on future transactions as agreed upon by both sides will be realized even before the nuclear issue is resolved.

He stressed: It is our side's firm stance, however, that large economic cooperation, such as domestic enterprises' investment in North Korea, should be pushed ahead after settling the nuclear issue.

Regarding the dispatch of the Nampo investigation team, Vice Minister Han said: In the Nampo area, there were no problems in roads and manpower, including water, except for electricity. Accordingly, he will review sending the proper investigation teams to look into other sectors, except for electricity.

N-S Contact To Discuss Visit

SK2109035392 Seoul YONHAP in English 0330 GMT 21 Sep 92

[Text] Seoul, Sept. 21 (YONHAP)—South and North Korea will have a working-level contact at the border village of Panmunjom Tuesday to discuss the visit to the North of South Korean Deputy Prime Minister Choe Kak-kyu.

Liaison officials from both sides are to discuss such details as the scope of delegation.

It was agreed at last week's inter-Korean prime ministerial talks in Pyongyang that the visit will be from Oct. 3 to Oct. 9.

An informed South Korean Government source told reporters that the two sides would reopen talks on the delayed visit to the North of a South Korean team to conduct a feasibility study around the industrial complex of Nampo near Pyongyang.

The visit had been scheduled for Sept. 21 through 26.

The Southern side has changed its demand for the delegation to comprise government officials and businessmen and for the chief delegate to be a government official.

It will now be entirely composed of businessmen and headed by Kim U-chung, chairman of the Daewoo Business Group.

The two sides could make headway in the meeting in light of the concessions the South had made, the source predicted.

* Challenges to N-S Economic Relationship

922C0234A Seoul MAEIL KYONGJE SINMUN in Korean 27, 28, 29, 30 Jul 92

[Article in four installments by reporters: "Focal Points of North-South Economic Cooperation"]

[27 Jul 92 p 1, by Han Myong-kyu]

[Text]**Nuclear Linkage**

Is the linkage between the nuclear issue and the North-South economic cooperation program indeed appropriate?

If appropriate, how long should it continue? If not, how should it be revised?

It was inevitable that the visit to South Korea by North Korean Vice Premier Kim Tal-hyon raised these questions anew.

Needless to say, it appears that the government has lately begun showing some flexibility with the linkage. The sending of a fact-finding team concerning the proposed Nampo industrial complex project could be an example of it.

Is it really impossible to resolve the North Korean nuclear issue without the economic cooperation program being linked to it? Is the linkage indeed in the national interest? Some in the nation's political, academic and business sectors are voicing a strong demand for a review to find answers to these questions.

Those supporting the linkage point out that it creates a grave threat to the peace in the Korean peninsula and Northeast Asia should North Korea develop nuclear weapons; that the proposed mutual inspection plan should be upheld because it is based on a North-South accord contained in their joint declaration on denuclearization, and that the linkage is an effective policy.

They also cite a realistic reason for their support, which is that the nation cannot ignore the U.S position most concerned about the North Korean nuclear issue.

On the other hand, those calling for an end to the policy of linking the nuclear issue and the economic cooperation program, or for their simultaneous but separate treatment at least, assert that it is not clear for whom the linkage is, that the proposed mutual inspection cannot but be a deceptive scheme, and that the linkage is not an effective policy.

Those questioning whom the linkage is for contend that the government, which has had no nuclear policy of its own but has been dragged by U.S. demand, has been trapped into self-contradiction, and that the linkage involving the economic cooperation issue should be grasped in this context.

Also, no small number of people hold that it is unrealistic to think that facts about the North Korean nuclear program can be verified by such means as mutual inspection.

Prof. Yi Ho-chae of Korea University said that "a mutual inspection device that can block North Korea's nuclear arming is a utopia." At this point in time, he emphasized, the economic cooperation program rather than the nuclear issue should be given top priority.

Chon Song-hun, responsible researcher of the Institute of National Unification, said: "Nuclear inspection is nothing more than an 'emergency measure' to dispel misgivings about the alleged North Korean nuclear weapons program." "Based on analysis of Pyongyang's motive for it, there should be political, economic and diplomatic efforts to get North Korea to give up and cling no more to the nuclear option."

Kim Tae-u, senior researcher at the Institute of National Defense, said, "I disagree with the optimistic notion that once the nuclear issue is resolved, North-South relations will get going smoothly." "The United States has a few hidden cards for future use against North Korea, such control on missiles and a ban on chemical weapons," he added, expressing his concern about the possibility that even if the nuclear issue is resolved, North-South relations will soon hit the next snag.

His view, it can be said, is that it is not in the national interest to withhold economic cooperation any longer at a time when the scope of the nuclear issue is not even clearly defined.

Prof. Han Sung-chu of Korea University and Prof. Paek Chin-hyon of the Institute of Foreign Affairs and National Security explained that it is necessary to review the direction of the nuclear policy and the restrictions on economic relations with the North, through close consultations with the United States.

Business circles—wary of Japan making inroads into the North Korean economy in earnest while North and South Korea wrangle over the nuclear issue—are yearning for an early start with the economic cooperation program.

They also insist that if joint-venture investments materialize in Nampo or wherever else, it can speed up the opening and reform of the North Korean society that much.

If the nuclear-economic cooperation linkage should be the best policy, the government must be able to convince these opponents of its validity.

Otherwise, it seems necessary for the government to lend a ear to the opinion that it needs the courage to establish a nuclear policy for itself in a new framework of ROK-U.S. relations and opt for "economic cooperation first."

[28 Jul 92 p 1, by Kim Se-hyong]

[Text]**Policy Confusion**

"During the visit here of Vice Premier Kim Tal-hyon of the North Korean state administration, the position of our side somehow appeared to be always changing and confusing. What is its true intent? And the North's?"

Days after the conclusion of the visit, these questions continue to be asked, even among experts on the matter. Regarding the reported confusion, government officials, needless to say, again attempted to blame it on an unreasonable, speculative press reporting—seemingly even more serious this time.

Concerning the issue of whether to accept the Nampo complex plan, even the economic ministries and agencies were in total disarray until the very end. Such being the situation, following developments was just as difficult as trying to understand foreign-language jargons even to some experts, not to mention the majority of the public.

This led to widespread, source-unknown rumors that there had been a tug of war between the hard-liners and moderates over the issue of giving priority to the economic cooperation program.

Prior to his departure from Seoul, Kim Tal-hyon said that "during my visit here, which was at the invitation of Deputy Prime Minister Choe Kak-kyu, our proposal to develop the Nampo light industry complex as a model project and the invitation for my counterpart to visit the North were gladly accepted." But, Deputy Prime Minister Choe confirmed to reporters on 27 July that "the sending of a fact-finding team and the actual development of the complex are two separate matters." Thus, the conflict of views continues unabated.

If one tracks it down, he will find that the resolve-the-nuclear-issue- first principle is the unchanging position of our government.

Looking back, until the fifth high-level talks in December last year at least, North Korea had still insisted that the political and military issues be the first consideration while our side sought to get on with economic matters. Now, they apparently traded their positions, giving the impression that they both are fickle and absorbed in opposing for the sake of opposition.

Commenting, Dr. Nam Chu-hong, former professor of the National Defense College and presently an aide to Kim Yong-sam, chairman of the Democratic Liberal Party, said: "Although it may appear to be in disarray depending on how you look at it, the government's position is firm. Inasmuch as the IAEA (International Atomic Energy Agency) investigation in June confirmed the grave nature of the nuclear issue, there is no change in the fact that resolution of that issue is a precondition. If there had been any confusion, it should be attributed to erroneous reporting by the press." By saying so, he perhaps raised an even more serious question.

If it was a matter barely understandable to a handful of experts, it would certainly be impossible to expect most of our businessmen and people to understand it and be mentally prepared or make specific preparations for reunification.

A KDI [Korea Development Institute] source said: "In Germany's case, private exchanges had been encouraged for a substantially long period of time before the comprehensive rules were established by the 1971 Berlin treaty. Since the North-South Korean exchange is still in a fledgling stage, it could be unavoidable that the two sides are groping in the dark for now, pushing and pulling each other; nevertheless, our side at least should rearrange priorities and make clear its position while going through the interim process."

Since the whole thing is so much controlled by the power center, they are invariably cautious of what they say, and reluctant to be candid. At any rate, their point is that our economic cooperation program with the North is in need of a long-term, philosophy-backed "strategy" rather than short-term "tactics," however.

A high official of the Trade and Industry Ministry said: "While pursuing the Northern Policy, the government had involved itself too much in the case with the former Soviet

Union while on the other hand it had assumed the position of a bystander in the China case. In retrospect, which do you think has worked better? In its importance, the North Korea case is indeed a separate matter, but we would like to think it over and see if the government has been excessively intervening in the initial phase of economic cooperation while showing no vision but constantly changing the agenda under a circumstantial judgement.

This applies not just to our side but more seriously to North Korean authorities.

While calling for "a package deal and simultaneous implementations" at the high-level talks, they would call in private enterprises from the South for bargaining. Even in the midst of the Kim Tal-hyon visit to Seoul, they torpedoed the planned mutual visits of divided families.

Prof. Yi Man-u of Sogang University said that "while the latest decision of the government can be viewed as a conditional accord it has granted, the government should stick to principle even with greater consistency in such a complex situation as we are in today." "Now, the ball is in the North Korean court," he added.

[29 July 92 p 1, by Kim Chong-hyon]

[Text]**Excessive Business Competition**

Prompted by North Korean Vice Premier Kim Tal-hyon's Seoul visit, the Nampo industrial complex project has become the focus of the North-South economic cooperation program.

North Korea is pressing for the creation of the proposed complex as a model joint-venture project and our government has made it official to send a fact-finding team, generating widespread expectations among enterprises in this country.

First of all, businesses are stretching out their feelers to the very end, knowing that the project will likely be a model case of North-South joint ventures.

Originally, the Nampo project was conceived when Kim U-chung, president of the Daewoo Group, during his visit to North Korea in January, reached agreement with the Samcholli Company on building nine joint-venture plants on a 300,000-pyong site.

Then, due to political problems that cropped up subsequently such as the nuclear inspection issue, the project had been shelved until the Kim Tal-hyon visit to Seoul that resulted in the decision on the fact-finding team.

In connection with the sending of the team, business groups differ considerably on related matters and are sharply divided over the economic cooperation program in general, thus serving notice that the North-South economic cooperation will by no means be an easy task not only in the political sphere but in the economic domain as well. Currently, criticism about the Nampo project is focused on conditions of its location.

The Daewoo side explains that there are no problems with the project because Nampo as the location is more favorable than any other parts of North Korea in terms of social overhead capital [SOC] including rails and port and harbor facilities. Also, because it is close to Pyongyang, Daewoo says, it has no problem securing the required labor.

Most of other business groups contend that another place—e.g., Haeju, Wonsan or Chongjin—should be considered, however, citing the limited supply of electric power in the Nampo area.

More troublesome is the fact that the difference is linked to a hegemony struggle among chebol [conglomerates].

Cho Kyong-han, director in charge of North Korean affairs at Samsung Co., said that "it is not right that the program proceeds at the initiative of any specific business group. Fortunately, the government has decided to include other enterprises in the fact-finding team being sent to North Korea." "Once we are there, we will realize even more keenly that it should not be left to one person but reflect views of many. Therefore, what we need is an equal opportunity for owners of other business groups, too, to visit North Korea," he stressed.

Ku Cha-kyong, president of the Lucky-Goldstar Group, said at a get-together of business group representatives in the thirties, hosted by President No on 23 July, that it is advisable for the government to take on the creation of the proposed complex upon itself, then make it available to private enterprises through a fair process of investment adjustment. Even in this case, he noted, another location, such as Haeju, should be considered.

Han Sang-son, director of the Trade Information Center of KOTRA [Korea Trade Promotion Corp.], pointed out that "Nampo has problems in overall SOC facilities, although it is said to be a better location in terms of investment environment than the other sites mentioned." A cautious approach, he cautioned, is needed to ensure a high efficiency of investment.

Han further said: Plants to be built in the Nampo industrial complex will prove to be the backbone of North-South economic cooperation. Therefore, consideration of SOC facilities is important indeed but it has to be accompanied by that of other factors, too, including land prices and wages. The problem, He noted, is that there are signs of excessive competition among groups similar to what had been experienced in the economic cooperation case with the former Soviet Union.

A government official hinted that in the presence of Vice Premier Kim Tal-hyon, business representatives were heard slandering other enterprises and even denouncing our government bitterly.

The North Korean vice premier, unfamiliar with the practice of backbiting among our enterprises, was apparently perplexed, the same official said.

Major groups such as Samsung, Lucky-Goldstar and Hyundai are most concerned about whether Daewoo has indeed been granted the exclusive vested rights in connection with the Nampo industrial complex project.

They are already complaining that if it has, their participating in the fact-finding team would be nothing more than playing the role of a bridesmaid for Daewoo or dignifying the government.

In this connection, Choe Kak-kyu, deputy prime minister and concurrently minister of the Economic Planning Board, was vague when he told the press on 27 July that "it is not who takes the initiative but how to attain the maximum efficiency of investment that is important." He made the government position even more ambiguous by adding that "the upcoming Nampo project will apply only to three or four of the nine plants which Daewoo agreed to build."

An interested source of the Federation of the Korean Industries said that "to vitalize economic cooperation, it is indeed an urgent task to resolve political issues. But more urgent is for the government to make its attitude firm and unequivocally clear and establish orderly procedures." "The cooperation program," he stressed, "should basically be left to self-regulation by enterprises to maximum degrees, but no specific group should be granted monopoly. Also, in order to prevent excessive competition and double investments, the government should lead big businesses to select their competitive industries for operations in the North. At the same time, it should consider ways and means for special small and mid-size enterprises to participate."

Meanwhile, since the North-South economic cooperation program is not something like special procurements, interested parties pointed out, businesses, for their part, should develop their own long-term strategy and pursue it calmly rather than engaging in excessive competition.

[30 Jul 92 p 1, by Chang Yong-song]

[Text]**Readjustment of Window**

While North Korean Vice Premier Kim Tal-hyon visited South Korea at the invitation of Deputy Prime Minister Choe Kak-kyu and chiefs of bureaus and divisions of the Economic Planning Board [EPB] accompanied the guest during the six-day visit, few thought that the EPB was the star in that event.

The situation was of course the same with the North Korean side, too. Ostensibly, Kim Tal-hyon was its star, but behind the scenes, Kim Tong-kuk, 50, whose official title was responsible director of the State Administration Council, was apparently making major decisions, they say.

Even at parties where drinks are served, if Kim Tong-kuk stand up to leave, Kim Tal-hyon and the rest of the party would follow the suit, according to reports.

A KDI source described the North-South relationship as an extremely subtle one in which "what is seen on the surface of the water is inevitably different from what lies at the bottom of it."

Meanwhile, an economic official of the government said that "it would be a problem if the National Unification Board should monopolize most of activities, including the screening of business applicants as well as their business plans." In reference to the need for improvement, he added, cautiously: "If the economic cooperation with the North is to proceed smoothly, it is important to rearrange our internal system."

He further said that in the case of former East and West Germany, the control of economic cooperation was transferred from the Ministry of Inner-German Relations—which was in charge of reunification affairs—to the Ministry of Economics following the conclusion of the basic treaty. This historical fact is worth remembering, he said.

The same official insisted that it could not be helped so far but once settlement is reached on annexed accords about economic cooperation in September and a joint economic committee formed subsequently, North-South economic cooperation affairs should be turned over to the control of the economic ministries.

Another KDI source expressed a similar view by saying that "it will raise a touchy problem if the National Unification Board is left in control of the economic cooperation business even after the conclusion of the annexed accords."

Their position is rebutted by others, however, who contend that "what they say is so preposterous and it shows that they do not know the subtle nature of North-South relations" or that "they say it because they are ignorant of the serious nature of the North Korean nuclear issue." In fact, such rebuttals appear to be gaining ground.

Yi Sang-man, economics professor at Chungang University, asserted that "in the economic cooperation with the North, it would be better if it is administered jointly by the government and the private sector through consultations than is left to government control a 100 percent. If the present exclusive control by the government should continue, there would be no way of dodging once it is subjected to pressure from the United States or elsewhere based on reasons relating to security such as a nuclear threat. But in Taiwan's case, he explains, contacts with China are left entirely to the private sector while the government would in form tacitly approve of them, thus creating a shield against foreign pressures.

In the case of our North Korea policy, Prof. Yi Sang-man continued, although the National Unification Board had a unified, overall scenario in the past, it has been wavering since the North Korean nuclear program has become an issue. It is necessary to restore system of consistency and develop simulations to know what type of cooperation projects are feasible, he emphasized.

Prof. Hwang Ui-kak of Korea University said that for now, expanded commodity trade is more desirable than joint-venture investment. In economic cooperation, too, he emphasized, it is advisable to be slow but steady, beginning with projects that are more feasible and easier to get on—like a joint fishery program in areas near the truce line—and expanding them in the future as appropriate.

He recalled that even in the case of former East and West Germany, it was in recent years that joint-venture investments materialized between them.

Experts also cautioned the government against an easy-going thinking that international communities will as a matter of course perceive North-South Korean trade as a domestic affair. Instead, they noted, it should speed preparations to meet the future needs for dealing with international organizations, such as the General Agreement on Trade and Tariffs (GATT), with positive persuasion and lobbying activities.

* North Suffers -5.2% Growth Rate in 1991

922C0238A HANGUK KYONGJE SINMUN in Korean 13 Aug 92 p 3

[Article by reporter Ha Yong-chun: "North Korea Registers Minus 5.2 Percent GNP Growth in 1991"]

[Text] North Korea's per capita GNP in 1991 is estimated at $1,038, or only one-sixth of South Korea's per capita GNP of $6,498. North Korea's 1991 current GNP account, on the other hand, is estimated at $22.9 billion, or only 12 percent of South Korea's $280.8 billion.

These figures were contained in the Bank of Korea 12 August release under the title "North Korea's Estimated 1991 GNP," calculated under the United Nations' system of national accounts statistics (SNA).

According to the release, the North Korean economy registered a growth rate of minus 5.2 percent in 1991, continuing from a minus 3.7 percent growth in 1990. This is to say that the economy shrank by nearly 10 percent in two years, ever widening the economic gap between the North and South. In 1981, or 10 years ago, South Korea's per capita GNP was $1,734, which was 2.3 times greater than North Korea's per capita GNP of $750 (according to an estimate by the National Unification Board). Last year the per capita GNP gap further widened with South Korea registering $6,498 in per capita GNP.

In 1981 South Korea's current GNP account stood at $66.8 billion as against North Korea's $13.5 billion, and in 1991 the figures were $280.8 billion and $22.9 billion, respectively. In the 10-year period between 1981 and 1991, the gap widened from 4.9 times to 12.3 times.

The Bank of Korea analysis attributed North Korea's negative economic growth to the dwindling foreign trade resulting from the collapse of the socialist camp and to the shortage of various raw materials and supplies.

North Korea's total trade volume in 1991 was $2.72 billion, with the exports amounting to $1.01 billion and the imports $1.71 billion. The 1991 trade volume was nearly half that of 1990. Compared with the 1990 trade volume of $4.64 billion (with the exports amounting to $2.02 billion and the imports $2.62 million), the 1991 trade volume shrank nearly by half. A major cause of this shrinkage was the effectuation of the "new economic agreement" with what used to be the Soviet Union, beginning in January 1991. Under this agreement, the former Soviet Union adopted a market price-based trade settlement method using hard currencies.

In addition to the collapse of the socialist camp, which was an external cause, the recession in the energy industry—the prop of the North Korean economy—was another factor responsible for North Korea's economic drawback. The coal output, which accounts for approximately 70 percent of North Korea's energy supply, dropped from 33.15 million tons in 1990 to 31 million dons in 1991, due to the deteriorated mining condition.

Crude oil imports also decreased from 2.52 million tons in 1990 to 1.89 million tons in 1991 because of the chronic foreign currency shortage.

With the worsening energy supply situation and the resultant energy shortage, overall industrial activities in general, and activities in the manufacturing sector in particular, have greatly slackened.

The Bank of Korea's latest survey of the North Korean economy was based on the United Nation's SNA system as mentioned earlier. Accordingly, there is some discrepancy between the figures given by the Bank of Korea and those given by North Korea, which uses the material product system (MPS) in calculation.

The Bank of Korea calculated North Korea's sector-by-sector industrial output value on the basis of the market prices in our country. It also applied South Korea's added value rates in most cases. This therefore leave room for the criticism that the Bank of Korea's analysis does not accurately reflect the quality of goods and services and the productivity of labor and capital.

The Bank of Korea explains that it used such method because the purpose was to evaluate the North Korean economy by using our own economic standards, however, and that its survey presents data which reflect the actual scale and structure of the North Korean economy as they are.

Table 1. Comparison of Major Economic Indexes Between North & South Korea

Classification	Unit	NK(A)	SK(B)	Ratio(B/A)
1. Population	Thousand	22,028	43,268	2.0
2. Current GNP	$100 million	229	2,808	12.3
		(231)	(2,422)	(10.5)
3. Per Capita GNP	Dollar	1,038	6,498	6.3
		(1,064)	(5,659)	(5.3)
4. Economic Growth Rate	%	-5.2	8.4	
		-3.7	(9.3)	
5. External Economy				
Total Trade Volume	$100 Million	27.2	1,534	56.4
(Exports)	ditto	10.1	718.7	71.2
(Imports)	ditto	17.1	815.3	47.7
(Total Trade/Current GNP)	%	11.9	54.6	
Exchange Rate	won/dollar	2.15	733.6	
Foreign Debts	$100 million	92.8	391.3	4.2
(Foreign Debts/Current GNP)	%	40.5	13.9	
6. Budget Scale*	$100 million	171.7	427.8	2.5
(GNP Ratio)	%	75.0	15.2	
Defense Expenditure	$100 million	51.3	105.9	2.1
GNP Ratio	%	22.4	3.8	
7. Energy Industry				
Coal	10,000 tons	3,100	1,500	0.5
Power Generating Capacity	10,000 kwh	714	2,111	3.0
Power Output	100 million kwh	263	1,186	4.5
Crude Oil Imports	10,000 tons	189	5,448	28.8
8. Farm, Fishery Output				
Grain	10,000 tons	530.7	623.6	1.2
(Rice)	ditto	217.6	538.4	2.5
Fisheries	ditto	120	298	2.5
9. Mineral Output				
Iron Ore	10,000 tons	816.8	22.1	0.0 (as published)
Nonferrous metals	ditto	22.7	50.0	2.2
10. Heavy Industry Output				
Automobiles	10,000	1.2	150	125.0
Shipbuilding	10,000 GT	4	443	110.8
Steel	10,000 tons	316.8	2,600	8.2
Cement	ditto	516.8	3,833.5	7.4
Fertilizers	ditto	143.5	332.4	2.3
11. Light Industry Output				
Fabrics	100 million meters	2.2	110	52.4
Fiber	10,000 tons	5.4	144	26.7
12. Overhead Capital				
Total Railway Millage	km	5,059	6,462	1.3

Table 1. Comparison of Major Economic Indexes Between North & South Korea (Continued)

Classification	Unit	NK(A)	SK(B)	Ratio(B/A)
Total Highway Millage	km	23,000	58,088	1.3
Harbor Capacity	10,000 tons	3,490	24,836	7.1
Tonnage of Existing Ships	ditto	60	727	12.1

Remarks:
1. Figures in parentheses are 1990 figures
2. *The scale of the ROK budget is based on the general account of the central government.

* North's Export Policy, Export Industry

922C0239A Seoul CHUNGANG ILBO in Korean 9 Aug 92 p 4

[Article by reporter Pak Ui-chun: "North Korea's Export System and Trends in Trade"]

[Text]**All-Out Effort To Earn Foreign Currencies as a Resource for Economic Growth**

How is trade being carried out in North Korea?

As the scale of trade between North and South Korea increases gradually, more and more firms are becoming curious about North Korea's export policy and organizations specializing in trade.

In this connection, the Korea Federation of Textile Industries [KFTI] recently released a report titled "The North Korean Economy and Its Textile Industry," detailing the North Korean trade system and trends in trade.

Trade Policy

The basis of North Korean trade policy may be summarized in these principles, namely, the principle of state monopoly, the principle of mutual benefit and equality, and the principle of self-supporting national economy.

In the past the underlying principle of North Korea's trade planning has been that of importing those equipment and materials which are needed in the fulfillment of its economic plans, but are not available domestically or in short supply, and of making exports to earn foreign exchanges to pay for these imports.

It has been characteristic of North Korea's trade that under this principle North Korea set trade quotas on each item through negotiations with its trade partners, on the basis of the plans drawn up in advance by the State Planning Committee.

The trends in North Korean trade policy shows that the policy underwent change in character with the year 1970 as the watershed.

As North Korea embarked upon a six-year economic development plan in 1971, it actively shifted the sourcing of its capital and equipment imports to Western countries, including the United States.

The excessive capital and equipment imports unaccompanied by increased exports aggravated the trade deficit, however, confronting North Korea with the difficult foreign debt issue beginning the middle of 1974.

As the negotiations for the settlement of North Korea's foreign debts had rough going, its trade with the West dwindled steadily.

Thereupon North Korea undertook in earnest to trade with developing countries with a low level of technology.

At the Sixth Congress of the Workers Party [WPK] in October 1986, North Korea adopted the following major trade guide line: seeking the diversification of trade and an enlargement of the trade volume, the thoroughgoing observation of the creditworthiness-first principle, and the priority production and quality improvement of exportable goods.

North Korea's Recent Trade Features

First, with a marked intensification of efforts to introduce capital and technology from advanced countries, the amount of foreign funds raised through trade has been increasing.

In addition, North Korea has jumped into the export market to earn hard currencies with no consideration for its competitiveness. As a result, it is diverting low competitive, low-quality products manufactured for domestic use to the export market.

At the same time, North Korea is trying to expand foreign trade through the Joint Venture Law enacted and promulgated in 1984. But its trade with Western countries is not carried out on a sustained basis, but on a case-by-case basis.

Agencies in Charge of Trade

The highest trade agency representing North Korea is the Ministry of Foreign Trade under the State Administration Council.

Needless to say, it is individual trading firms that sign export or import contracts and carry out trade transactions under the unitary guidance of the government agencies in charge of foreign trade.

Reportedly, there are more than 100 trading firms in North Korea, including general firms, firms specializing in export and import, and general trading firms.

Ministry of Foreign Trade: This ministry is the highest state administrative agency that realizes the state monopoly of foreign trade by taking charge of the overall aspects of foreign trade, such as the establishment of trade policies and trade plans, and the conclusion of trade agreements with foreign countries.

The Committee for the Promotion of International Trade is affiliated to this ministry.

Committee [as published] of External Economic Affairs: Little is known about the detailed functions of this committee.

Reportedly, it is in charge of economic diplomacy in corporation with other government agencies involved in foreign economic affairs, such as the Ministry of Foreign Trade. For instance, it handles joint ventures and participates in signing economic agreements with foreign countries as North Korean representative.

State Planning Committee: It draws up a basic trade plan by closely coordinating plans in various production sectors in cooperation with the Ministry of Foreign Trade and various other economic agencies.

Trade Missions: Generally, a country has a trade mission in another country with which it has no formal diplomatic relations, so that the mission my exercise state powers in trade affairs in that host country.

In North Korea's case, it has trade missions even in those countries with which it has diplomatic relations, however. This stems from the peculiar situation in North Korea where the state has a monopoly of foreign trade.

DLP Dealing With No's Departure From Party

SK2209040192 Seoul YONHAP in English 0232 GMT 22 Sep 92

[Text] Seoul, Sept. 22 (YONHAP)—The Democratic Liberal Party [DLP], shaken in its foundations by the planned departure of President No Tae-u, is gradually finding its equilibrium through active and persuasive efforts by its leaders.

Part of No's faction, which has been wavering in the past several days, calmed down considerably after its leader, party chairman Pak Tae-chun, was said to have decided to help maintain the DLP's current status, party sources said Tuesday.

Even those who belong to a non-mainstream group within the No faction, such as Reps. Pak Chol-on, Yi Cha-hon, Kim Yong-hwan, and Chang kyong-u, are not expected to take drastic action as long as Pak Tae-chun remains in the party, the sources said.

But they did not rule out the possibility that some of the No faction, or members of the former Democratic Justice Party, may still leave the party once the president returns from his visit to the United Nations and takes his announced step to leave the party to form a neutral cabinet for the December presidential election.

If No's move means a complete severance of his ties with DLP President Kim Yong-sam, the party will have to face another crisis, the sources said.

Kim Chong-pil, executive chairman of the party, met with 20 senior members of the Democratic Justice Party faction Monday afternoon and asked for their cooperation for the solidarity of the DLP. They agreed with Kim that they would have to do their utmost for victory in the presidential election, the sources said.

Those who attended the meeting included secretary-general Kim Yong-ku and Reps. Kwon Ik-hyon, Hwang In-song, Kim Yong-tae, Yi Chun-ku, Kim Yun-hwan, Pak Hui-tae, No Chae-pong and Na Ung-pae.

Pak Tae-chun is expected to hold a similar meeting soon for the solidarity of the party, secretary-general Kim said.

Kim Tae-chung 'Dazed' by No Tae-u's Announcement

SK2209065492 Seoul THE KOREA HERALD in English 22 Sep 92 p 2

[Text] If President No Tae-u's unprecedented political move last week sent shock waves through the ruling quarters, it also appears to have left the nation's best-known opposition leader dazed.

Opposition Democratic Party [DP] leader Kim Tae-chung, who is known for his wily political maneuvering, yesterday showed unusual wavering in his position on major political issues.

His initial position was that the government and the three political parties should agree on a pannational, neutral cabinet before normalizing the National Assembly.

That position, however, was changed only minutes before he appeared for a news conference yesterday morning. Kim said he agreed to normalizing the deadlocked parliamentary "unconditionally."

Kim also abruptly changed his position on the local election issue. He told reporters that he would continue to try to persuade President No to conduct the local polls for provincial governors and mayors this year.

Just hours earlier, Kim indicated that the DP could agree to delay the local polls until early next year depending on a successful negotiation over a neutral cabinet. Before this he had always demanded that the local polls be held within this year.

President No announced last Friday that he would leave the ruling Democratic Liberal Party soon in order to lead an independent government during the December presidential election.

Poll Respondents Favor No Tae-u's Leaving DLP

SK2109132592 Seoul YONHAP in English 0808 GMT 21 Sep 92

[Text] Seoul, Sept. 21 (YONHAP)—An impressive 81.5 percent of the people think that President No Tae-u has done well to leave the Democratic Liberal Party [DLP] to form a neutral cabinet for the presidential election, according to a government opinion poll.

Some 74.9 percent those polled replied that it was "desirable" for President No to take such an action. About 18 percent said it wasn't desirable.

The opinion poll, conducted Sept. 19-20 by the Institute of Asian Studies for the Information Ministry, covered 800 people above 20 years of age. No announced his decision to leave the DLP on Sept. 18.

About 81.5 percent highly evaluated the president's decision to form a neutral cabinet while 11 percent said it was a mistake. Some 7.5 percent said they did not know.

Asked how much they thought No's action would help the nation hold a clean and fair presidential election, only 9.3 percent said it will contribute "greatly," while 47.5 percent said it will "contribute to a certain degree."

About 30.1 percent and 4.5 percent replied, "it will not contribute much" and "not at all," respectively.

Some 70.1 percent said No's decision will bring "a positive influence" on the democratization of this country while 14 percent said it will have a negative impact.

Yi Chong-chan, Chong Ho-yong To Form New Party

SK2109071792 Seoul YONHAP in English 0700 GMT 21 Sep 92

[Text] Seoul, Sept. 21 (YONHAP)—Rep. Yi Chong-chan, leader of the People's Federation for New Politics, and independent Rep. Chong Ho-yong have agreed in principle to form a political party and field a candidate in the presidential election, an aide to Yi said Monday.

The two politicians would decide on the leadership system after careful observation of the participation of other figures and the situation, said the aide, who asked not to be identified.

Yi, who left the ruling Democratic Liberal Party (DLP) after he lost the presidential nomination to Kim Yong-sam, has been in contact with DLP Reps. Pak Chol-on, Kim Yong-hwan and Yi Cha-hon.

The contacts drew special attention after President No Tae-u said he would resign from the DLP and generated speculation that the lawmakers might joint Yi once the federation formally becomes a party.

The federation begins the groundwork for becoming a party with an inauguration ceremony in Inchon on Tuesday afternoon.

Prosecutors Arrest DLP Chapter Chairman

SK1609044692 Seoul THE KOREA HERALD in English 16 Sep 92 p 3

[Text] The prosecution yesterday arrested Yim Chae-kil, chairman of the Yongi chapter of the ruling Democratic Liberal Party (DLP), on charges of illegal electioneering.

Yi Chong-kuk, governor of South Chungchong Province, will be summoned again today to answer questions about his involvement in the election rigging. He will be arrested on similar charges in a couple of days, according to a prosecution source.

The Taejon District Prosecutor's Office yesterday summoned Yim for questioning for the third time since Han Chon-su, former chief of Yongi county, was arrested last week on charges of violating the Parliament Election Law.

Yim, who ran unsuccessfully in the March 24 general election in his electorate on the ruling party ticket, reportedly admitted that he had organized sightseeing trips to Chongwadae, the presidential mansion in Seoul, for 3,864 constituents between July and November 1991 when he was serving as a senior presidential secretary for President No Tae-u.

Yim, however, continued to deny charges that he gave 300,000 won each to leaders of seven local communities totaling 2,100,000 won, for which the prosecution has reportedly secured material evidence.

The prosecution source also said that hard evidence has been secured to investigate a charge that Yim had distributed 45 wrist watches containing presidential emblems and 160 pencil boxes to his constituents March 21, shortly before the March 24 general elections.

Yim has thus far categorically denied charges of election irregularities alleged by former county chief Han when he was questioned by the prosecution in two separate interrogation sessions.

Prosecutor's Office Announces 5 Lawmakers Indicted

SK2209074692 Seoul YONHAP in English 0642 GMT 22 Sep 92

[Text] Seoul, Sept. 22 (YONHAP)—Five lawmakers have been indicted, four of them without detention, on charges of violating the election law during the March general elections, the Supreme Prosecutor's Office said Tuesday.

Among the five is independent Yi Kang-tu from Keochang, South Kyongsang Province, who was indicted with detention on charges of bribing voters.

Others are Pak Pom-chin of Democratic Liberal Party from Yangchon B, Seoul; Kim Yong-chin of the Democratic Party [DP] from Kangjin-Wando, South Cholla Province; Pak Sil of the DP from Dongjak-ku, Seoul; and Kim Chan-u of the Unification National Party [officially renamed United People's Party] from Chongsong-Youngtok, North Kyongsang Province.

The lawmakers are among 43 men and women indicted with detention and 384 people indicted without detention after having been booked for their alleged violation of the election law. Police had booked a total of 1,044 people for election law violations during the general elections.

The police originally booked 93 lawmakers, but the prosecution dropped charges against 65 and suspended indictment for 23 others, indicting just the five. Among those booked, 55 belonged to the Democratic Liberal Party, 25 to the Democratic Party and nine to the Unification National Party.

Of the people indicted, 526 were party members, 357 members of the public, 103 students and 58 civil servants.

The largest group of people were indicted for bribery (259), followed by slander (135) and obstruction of the election (65).

Overall, 40.9 percent of the people booked by the police on election charges were eventually indicted by the prosecution, up from 21.3 percent in the 1987 general elections.

Students Plan Nationwide Antigovernment Campaigns

SK1909030192 Seoul THE KOREA TIMES in English 19 Sep 92 p 3

[Text] The alleged scaling down of the prosecution's probe into the Yonki County election scandal has triggered massive antigovernment campaigns by students and dissidents.

Student and dissident bodies vowed yesterday to join forces with lawyers in launching nationwide rallies, demanding a thorough re-investigation of the scandal by special prosecutors appointed by the National Assembly or the judiciary.

The state prosecutors proved themselves "slaves of the ruling power" by scaling down their investigation of the illegal campaigning case which high-ranking government officials apparently masterminded behind the scenes, they charged.

The Taejon District Prosecutor's Office wound up the probe Tuesday with the arrests of Han Chun-su, former chief of Yonki County, and Yim Chae-kil, the ruling Democratic Liberal Party candidate in the district, while only booking Yi Chong-kuk, former Chungchongnam-to governor, without physical detention for violating the National Assembly Election Law.

Yi, the alleged key figure in the scandal, resigned, taking responsibility for the election irregularities.

"The probe should be re-opened to delve into the scandal, in which a group of government and ruling party officials were apparently deeply involved," a spokesman at the Citizens Coalition for Fair Elections said in a statement.

The statement demanded the immediate arrests of ex-governor Yi and Yi Sang-yon, now director of the Agency for National Security Planning, who was then home minister during the March 24 general elections for masterminding massive mobilization of civil servants to campaign for the ruling party candidate.

President No Tae-u should also apologize for civil servants' involvement in election campaigns and immediately conduct mayoral and gubernatorial elections to guarantee a fair presidential election, it urged.

It also called for an overall probe to punish attendants to the inter-government agency meeting for election strategy, alleged by Han to have been held during the election campaign period.

One of the meeting attendants was learned to be a senior prosecutor in the Taejon district.

In the meantime, the largest student activist alliance Chondaehyop or the National Council of Student Representatives is determined to launch massive antigovernment demonstrations across the country in protest against what they called the government's "obstruction of justice."

University students in Taejon and Chungchongnam-to have already staged demonstrations, protesting the prosecution's deescalation of the scandal.

Violent clashes between students and riot police loom large over this weekend as students pledged to hold rallies to denounce the prosecution in major cities across the country.

Lawyers advocating the introduction of special prosecutors said, "Under the current law regulating the prosecution system, it is hardly expected that state prosecutors can do their jobs against their superior government officials."

"As the National Assembly has been brought to a standstill over the local elections, a group of lawyers will ask the court to appoint special prosecutors to reinvestigate the scandal," a lawyer said.

Defense Ministry Chooses To Buy Spanish Aircraft

SK1409112092 Seoul TONG-A ILBO in Korean 14 Sep 92 p 2

[Text] It was learned on 14 September that the Ministry of National Defense finally decided to purchase CN-235 aircraft manufactured by Spain's Construcciones Aeronautiscas Sa [CASA], ending a search to upgrade the army's fighting capabilities in a project known as Medium-Size Transport Planes or CX [preceding letters published in English; expansion unknown].

The medium-size transport planes project aims to introduce military transport planes to fill the gap between the large, strategic C-130 transport planes and the large CH-47 helicopters used by the ROK Air Force. The government was studying a choice between the Spanish CASA's planes and the Italian aircraft manufacturer Aeritalia's G-222.

According to the Defense Ministry officials, the Spanish CASA's CN-235's are suitable for tactical transport, such as transporting troops and cargo, and that these aircraft are of the new generation of military transport aircraft equipped with high aviation technology. However, some point out that the CN-235 is relatively unknown to the Korean people and that as the process of choosing the aircraft was made without public knowledge, it remains to be seen whether the choice was justified or not.

Military Service Law To Undergo Revision

SK1309031992 Seoul THE KOREA TIMES in English 13 Sep 92 p 3

[Text] The Military Manpower Administration (MMA) will revise the implementation decree of the Military Service Law this year designed to enable physically-handicapped men to be exempted from the compulsory service duty, beginning next year.

The MMA said yesterday that under the new decree, mayors and governors would be empowered to exempt from the military service those in conscription-eligible age who are registered in the disablement lists of the municipal and provincial government offices.

The present service law stipulates that physically handicapped men such as dumb and blind youths can be de-listed from compulsory service duty only if they proffer the back-up documents including certificates from chiefs of "up, myon and tong," lowest-level administrative units.

Those who attend vocational training institutes to learn techniques which are contained in the purview of the state- controlled skill qualification tests (SQT) will be allowed to delay enrollment in the service by one year in accordance with the new implementation decree.

A senior MMA official explained that the measures for conscription-eligible men with engineering skills were taken not only to support the cultivation of the skilled work force in society but to make good use of it in the military.

The new law also stipulates a youth whose elder brother now serves on active duty can postpone enlistment either in military service or in the conscripted reserve force by two years.

The official said that under the current military service system, a young man whose brother serves in the military can delay recruitment into the service barracks by one year.

Finance Ministry To Reduce Tariff Rates

SK2209074092 Seoul THE KOREA HERALD in English 22 Sep 92 p 8

[Text] A 40-50 percent cut in import tariff rates will be applied to 374 items in seven business lines related to high-tech industries from today through the end of next year.

The Ministry of Finance said yesterday that it had designated 374 items, including radiators, air towels, gas removing machines, and air bag folding machines, as new products to receive the tariff reduction favor.

At present, 1,006 items in 147 business lines are enjoying such favors under the government's policy to actively foster high-tech industries.

The import customs duties for high-tech related items, accordingly, will be reduced from the present 11 percent to 5.5 percent on the average in 1992 and from 9 percent to 5.4 percent in 1993, the ministry said.

The newly designed high-tech fields encompass precision electronics, electronics control & precision machinery, new materials, precision chemicals, biology, and optical industries.

Among the 374 items are profile measuring machines, ink abrasion testers, fermenters, optical fiber sleeving equipment, and electronic microscope.

The tariff reduction will help domestic enterprises save some 53.3 billion won in import coast during the rest of the year and next year, a ministry spokesman said.

Since the government introduced the tariff cuts in April 1990, imports of high-tech related items have reached $1.6 billion, helping domestic companies save 82.1 billion won (roughly $104.5 million) in import duties.

The policy action came at a time when investment by domestic enterprises has sharply shrunk with the annual growth rate of facility investment slowing from 8.6 percent in the first quarter to 4.3 percent in the second.

* Research Complex Planned at Koryo University

922C0232A Seoul CHUNGANG ILBO in Korean 28 Jul 92 p 7

[Article by reporter Yi Hyo-chun: "Nation's First Integrated Research Complex Linking Industry, Academe, and Research Organizations To Be Established in Koryo University"]

[Text] The nation's first full-scale integrated research complex will be established linking industry, academe, and various research organizations.

On 28 July Koryo University announced its decision to build an "integrated research complex linking industry, academe, and research organizations" with a combined floor space of 15,000 pyongyang on its School of Engineering campus in Anam-tong, Seoul, by 1994 at a cost of 100 billion won.

According to the plan, research personnel of various industrial outfits, universities, and research organizations will move into this research estate, which will be named "Techno Complex," where they will conduct joint research activities, exchange technological information, and share the research manpower and facilities in order to maximize the effectiveness of research and development efforts.

The need for a cooperative research system linking industry, academe, and research organizations has been felt keenly in the past because of the proliferation of technological protectionism and our lack of ability to develop advanced technology. This marks the first concrete plan ever for an integrated research complex, however.

Kim Yong-hui, dean of the Koryo University College of Science and Engineering, said: "Industrial outfits spend 70 percent of the nation's total research and development funds, but 80 percent of the research manpower is concentrated in universities. To correct the imbalance in research resources between industry and academe, we have decided to create the Techno Complex so that the capital and brains may be channeled into it in an effective manner."

Each industrial enterprise which needs to develop a certain technology will participate in the creation of the integrated research complex by making a capital contribution, and the university for its part will support the development effort by providing research personnel and facilities tailored to that particular field of development.

In particular, a basic science research center under the Standard Science Institute is scheduled to be completed in the Techno Complex by August 1993 at a cost of 36 billion won. The center's ultra modern facilities and research personnel will be available to participating industrial outfits.

In addition, Koryo University plans to make its own nationwide computer network and its technological information and data center available to participating enterprises and research organizations. It also plans to organize joint seminars and workshops and provide retraining and degree courses for employees of the participating enterprises. Koryo University plans to arrange for each participating enterprise, if it so desires, carry out joint research work with the research staff of the Korea Advanced Institute of Science and Technology, with which the university has an exchange agreement. It also plans to allocate its outstanding graduates to participating corporations.

The breakdown of the funding for 104 billion won needed to create the Techno Complex: 26 billion won from the university fund; 42 billion won (7 million won per pyong) from participating corporations in the form of payment for parcels; the funding of 28 billion won for the basic science research center; and 8 billion won in contributions.

Under the plan, Koryo University will invite 20 to 25 research centers operated or funded by large corporations to set up their branches in the complex and solicit 10 or more small and medium-size enterprises in need of developing certain technologies for participation.

Dean Kim said, "the research complex will be a place where more than 1,600 research personnel in natural science and engineering, including students taking master's and doctoral courses as well as professors, will pool their efforts to develop technologies on a full scale by assisting one another."

Burma

Authorities Release 33 Detainees in Ma-ubin

BK1809135492 Rangoon Radio Burma in Burmese 1330 GMT 18 Sep 92

[Text] It has been learned that 32 males and one female against whom action was taken under existing laws and who were serving their sentences, have been released today from Ma-ubin jail after their remaining sentences were commuted in accordance with Declaration No. 11/92 of the State Law and Order Restoration Council.

27 Released in Myaungmya

BK1909141492 Rangoon Radio Burma in Burmese 1330 GMT 19 Sep 92

[Text] It has been learned that 27 male detainees against whom action was taken under existing laws and who were serving their sentences, have been released today from Myaungmya jail after their remaining sentences were commuted in accordance with Declaration No. 11/92 of the State Law and Order Restoration Council.

Report on Drug Seizure Activities for 2-18 Sep

BK1909102992 Rangoon Radio Burma in Burmese 1330 GMT 18 Sep 92

[Text] The Defense Services, the People's Police Force [PPF] and the Customs Department are carrying out the suppression and control of narcotic drugs with great momentum.

Members of the Kengtung special antinarcotics squad, acting on a tipoff, carried out a search on the Taunggyi-Kengtung highway near Daw Poke Village in Kengtung Township on 2 September at 2100. They confiscated 1.633 kgs of raw opium. Similarly, 2.387 kg of raw opium was also impounded on 3 September at around 2400. The members of the same antinarcotics squad seized 0.4899 kg of marijuana and 1.2248 kgs of powdered opium on 3 September at 1730.

In another incident, members from the combined team of military intelligence, the Akyab special antinarcotics squad and local PPF, conducted a search on 6 September at 0815, acting on the knowledge that ward attendant Tun Myint and nurse Daw Myint Myint Yee from Akyab General Hospital were offering pathadine and morphine shots to drug addicts. During the search they confiscated two used 2cc-vials of morphine, two needle sets, nine needles, about 300cc of morphine solution, three 1cc-vials of Pathadine, two empty containers of morphine vials, 31 containers of other injections, one 1cc-vial of Phenoburmiton, and 39 different injections.

In separate events, members of Myitkyina and Katha special antinarcotics squads seized 2.538 kgs of raw opium on 8 September at 0900. Members of the railway police of Pyin Oo Lwin, acting on a tipoff, searched the Lashio-Mandalay train at Bawgyo Station on 8 September at 0945 and confiscated 2.7733 kgs of raw opium.

Also on 11 September at 0630, members of the combined team of military intelligence, Mandalay special antinarcotics squads, and local PPF impounded about 3.26 kgs of concentrated opium oil, 1.7147 kgs of raw opium, and 0.1917 kg of opium by-product. The Mandalay No. 9 police station has taken action against Nyi Nyi Tun alias Lay Pauk Saung, 28 and son of U Shwe Li, under the Narcotic Drugs Law.

Similarly, members of Tachilek military intelligence and PPF, acting on information, searched the guest house in Sanda Road, Daungkaung Ward, Tachilek on 12 September at 1400 and arrested Tin Aung Tun, 17, son of U Maung Toe, Sayegon Ward, Ma-ubin; Aung Soe Moe, 22, son of U Tun Aung, Bo Min Yaung Road, Mingla Taungnyut Township; and Ma Nila, 25, daughter of U Nan Nagari, Nanwon Village, Loikaw in room no. 14 as they were dealing in heroin. The authorities confiscated 1.6 kg of heroin.

In another development, members of the Hommalin special antinarcotics squads, acting on information, searched the boat called Hlaing Takyaw, which was moored at the Haung Pwintye jetty, Hommalin on 18 September at 1000. During the search, they confiscated 538 125 cc-bottles of Phensedyl found hidden under the floor and in the walls.

Brunei, Malaysia & Singapore

Malaysia

Mahathir Interviewed on NAM, Other Issues

BK2109095192 Jakarta TEMPO in Indonesian 12 Sep 92 p 26

["Excerpts" of special interview with Malaysian Prime Minister Dr. Mahathir Mohamed by TEMPO Correspondent Leila S. Chudori at Hilton Convention Center in Jakarta on 3 September 1992]

[Text] [Chudori] The Nonaligned Movement [NAM] Summit has decided that it will take its final position on the status of Yugoslavia in the movement at a meeting of the United Nations General Assembly. Are you disappointed?

[Mahathir] I feel that eventually the world will know Serbia is not Yugoslavia. The old Yugoslavia no longer exists. The present Yugoslavia is made up of several independent states, of which some have been recognized by the United Nations. On the issue that the NAM did not make a decision about the status of Yugoslavia, we respect the decision of the majority.

[Chudori] Do you propose that the NAM be redefined?

[Mahathir] Basically there is a need for the NAM to set up joint forces because the future is full of grave challenges. This is so because we are facing a unipolar world.

A unipolar world is every bit as threatening as a bipolar world. If countries in the NAM are not united, the movement will not be able to confront the North group.

[Chudori] Are you suggesting that China become a member of the NAM?

[Mahathir] I anticipate that if China becomes a full member of the NAM, the movement will become stronger because China is a member of the United Nations Security Council and holds the power of veto. We need a country with veto power in the world body. I think the majority of the NAM-member countries will agree to the idea.

[Chudori] Do you agree when several analysts think that your tough stance on the Bosnian issue is actually related to the interests of internal politics in your country. In the past you sort-of went off balance when you supported Kuwait during the Gulf War, where as young activists in your UMNO [United Malays National Organization] party, were siding with Iraq?

[Mahathir] No. We used to show our tough stance on several international issues, such as the South African issue. We are not influenced by a divided public opinion. To us, this is a humanitarian issue. In the past what we supported was the expulsion of Iraq from Kuwaiti soil, not the invasion against Iraq.

Every day the Bosnians are being killed. How can we be uncaring about that?

My attitude towards Bosnia has nothing to do with the affairs of Malaysia's internal politics.

[Chudori] You are considered as one of the leaders in Asia who has strongly criticized the West.

[Mahathir] We always feel that if there is something that is not right, we should stand up and criticize. The others are of the opinion that we want to lead the Third World nations, but we do not think in this way. We are not able to alter such opinions because Western countries are more powerful than we are.

[Chudori] What do you think of canceling the debt of countries of the South?

[Mahathir] If we are indebted and can afford to pay, we should pay up. But if we have no money, it is all right to be excused. However we cannot adopt the attitude that "these are our friends from the South, and there is no need for them to pay their debts."

[Chudori] You mooted the idea of an East Asia Economic Caucus?

[Mahathir] GATT [General Agreement on Tariffs and Trade], which is supposed to regulate world trade and be fair to all nations, has obviously failed to do so. Its failure is due to the refusal by Western countries to implement free trade.

If ASEAN coutries are combined with Japan, Taiwan, China, Indochina, we stronger influence could be created because we are all big markets. Therefore, we can say that if Western countries want to enter our markets, they too should open theirs.

The East Asia Economic Caucus is not a trade bloc. We are not impressed by any trade bloc because Malaysia is heavily dependent on trade.

[Chudori] Some people think that the freedom of press in Malaysia is very limited, Is it true?

[Mahathir] The press is free to publish anything so long as the news is not on subversive matters and does not stir up the emotions of the people, thus causing destabilization in the country. Probably the idea emerged because the Western press is full of commentaries. Perhaps, those people who thought that only read THE STRAITS TIMES and BERITA HARIAN. But if they read HARAKAH, THE ROCKET they will discover that these papers are attacking the government everyday, apart from publishing all kinds of lies. Yet, they have the freedom to circulate.

[Chudori] But it was said that you once limited the number of copies of the FAR EASTERN ECONOMIC REVIEW magazine, WAKTU weekly, and THE ECONOMIST magazine for circulation. Is that true?

[Mahathir] No, no. The government had not been checking on the FAR EASTERN ECONOMIC REVIEW for a long time ago. Perhaps, it was some time before my government came into being. What we used to do was stop subscribing to it. I would ask why we needed to buy a magazine that never told the truth about Malaysia. Therefore the government did not buy it, but the people can buy it. This magazine has never told the truth about Malaysia. If we are successful in doing something for our country, this magazine will never report it.

[Chudori] You are a leader who is very concerned about the environment, but in Malaysia there are illegal logging activities.

[Mahathir] Forestry is one of our natural resources. The rich countries cannot tell us not to fell our trees and make us remain a poor nation forever. However, those who felled trees 100 years ago are still rich now. This is not logical. Somehow, we do take the environment factor into consideration. Logging activities are carried out in a proper manner. The condition of our environment is far better than that in Europe or the United States.

As for the illegal logging, we are also opposed to it and are trying to get rid of it. But a huge sum of money is required for this. We would need a big unit of forest rangers.

[Chudori] Malaysia has often been criticized for violation of human rights. What are your comments?

[Mahathir] Our concept of human rights is different from that of the West. In the West, the emphasis is on the right of the individual, where as we emphasize communal rights. Our system also respects individual rights, but the rights do not extend beyond the rights of the society, because our society wants to live in peace. We cannot allow a person to walk naked along the road for the sake of tolerating an individual's rights. Likewise, we cannot tolerate people who act aggressively, destablize the economy, and hold demonstrations everyday. If these are allowed to happen, no country will be willing to invest its capital in Malaysia and the people will suffer. Thus, these are not the freedoms that that we go for. It is all right to hold demonstrations, but if they reach the level of causing disturbance to the public, the demonstrators will have to face the consequence of their acts.

[Chudori] How does one define subversive or causing a public disturbance?

[Mahathir] In Malaysia, the people are allowed to hold a demonstration, so long as they have the permission to do so and it does not get out of control, causing public disorder. The limit is that the demonstration should not disrupt economic activities, preventing hawkers on the five-foot ways from selling their wares; a curfew has to be imposed. If such things happened, the demonstrators would be accused of causing public disorder. In Malaysia, the definition of subversive stems from the days when Malaysia had to fight against the commnunist group from 1948 to 1990. The communist group carried out subversive activities by destabilizing the economy, and held several strikes throughout the country. So to us, that is the meaning of subversive. Now that communism has collapsed, we no longer arrest these people. But now we are more concerned with the people who traffic in prohibited drugs. We will definitely arrest them.

[Chudori] How about the Kelantan Government wanting to enforce Islamic law in the state?

[Mahathir] We should first find out whether the state government's proposal was put forward based on the people's wish for it, or whether it was because of the wish of the party that is dominant in the state. In my opinon, Islam is not a static religion. It is true that the majority of the people in our country are Muslims but Malaysia is a multiracial country.

[Chudori] Are you worried that, should Islamic law be enforced in Kelantan, the opposition party will become more dominant?

[Mahathir] The Kelantan state had been ruled by several political parties one after another. It used to be administered by our UMNO party, and now by the Islamic Party [Pan-Malaysian Islamic Party]. UMNO was defeated there not because the opposition party was more popular but because there was a division among members in our party.

[Chudori] You made changes to the Constitution that reduced the powers of Malaysia's hereditary rulers.

[Mahathir] The powers of the states rulers were contraditory to democracy. The original Constitution gave rulers the powers to withold assent to laws passed by the Parliament. Laws could be implemented if the states rulers signed the end process. That is wrong because it means that the rulers decide on the laws and not the people. Therefore we changed the procedure. Now it is the Parliament, and not the rulers, who decide on the laws. Yes, this reduces their powers. No one is happy when his powers are reduced. Well, they still live on the Government's funds. However, my relationship with the rulers remains good.

[Chudori] Will you run in the 1995 general election?

[Mahathir] There is still a long time to go.... it depends on my health.

Mahathir on Government's Economic Strategy

BK2109141392 Kuala Lumpur BERNAMA in English 0604 GMT 21 Sep 92

[By Abdul Rahman Sulaiman]

[Text] London, Sept 21 (OANA-BERNAMA)—Prime Minister Dr. Mahathir Mohamed Monday outlined four economic thrusts which Malaysia will be pursuing to achieve its target of being an industrialised nation.

They are:

"To broaden and deepen the country's industrial base;

"To encourage more capital-intensive and technologically sophisticated industries;

"To promote the development of intermediate and capital goods industries; and

"To promote industrial linkages between foreign and local companies."

In his keynote address to about 250 British captains of industry and business leaders at an investment seminar organised by the Malaysian Industrial Development Authority (MIDA) here, the prime minister said a broader industrial base was necessary to sustain Malaysia's industrialisation momentum and her industrial competitiveness.

In this respect, he said, Malaysia would work towards increasing the value-added contents of her resource-based industries and go far beyond the production of basic components in the electronics field.

He said that with easily trainable, educated and relatively low-cost labour and an unemployment rate of around five per cent, the government felt that the country could now shift into the less labour-intensive, high-technology industries which promised higher added value and productivity.

Five key technology areas had been identified for the building of competence and developing niche areas for the domestic industries, namely automated manufacturing technology, advanced materials, bio-technology, electronics and information technology, he added.

On the development of intermediate and capital goods industries, Dr. Mahathir said with the rapid pace of industrialisation, Malaysia's requirements for them had increased significantly. Most of these were all this while imported.

In order to reduce future imports of such goods, the manufacture of industrial machinery and parts, machine tools and related engineering industries were being encouraged.

On Malaysia's impressive economic performance over the past few years, Dr. Mahathir told the seminar that private investment in the manufacturing sector had been the primary driving force behind it.

He said following an aggressive export-led industrialisation strategy, the manufacturing sector averaged a growth of 15.8 per cent per annum during the period 1988 to 1991.

The contribution of the manufacturing sector to the country's gross domestic product (GDP) had also risen, from 24.3 per cent in 1988 to 28.1 per cent in 1991.

The prospects for 1992 were equally encouraging with a growth forecast of 14.5 per cent for the sector, which would account for about 30.2 per cent of GDP.

The manufacturing sector, expected to grow at 10.5 per cent per annum over the next 10 years, was expected to raise its share of the GDP to 37.2 per cent by the year 2000.

The prime minister said manufacturing exports were projected to account for about 81.8 per cent of the total exports by the end of the decade. At present, it was 64 per cent.

Dr Mahathir said to realise the rapid expansion envisaged for the manufacturing sector during the 1990s, a high growth of manufacturing investment would have to be sustained.

It had been estimated that to achieve the targeted growth rate of 11 per cent per annum in this sector for the period 1991-1995, the total investment required would be $80 billion ringgits (US$1 = 2.5 ringgits).

This was about 36.5 per cent higher than the approved investment during the previous five years. Of this, 41 per cent was expected to come from foreign sources and the balance from domestic sources.

He added that the Malaysian Government, therefore, recognised the critical role of foreign direct investment in maintaining the growth momentum of the Malaysian economy.

In this respect, the government was committed to creating an environment that would provide foreign investors with opportunities for increased investment, growth and profit.

Philippines' Conditions on Sabah Rejected

BK1909095092 Kuala Lumpur Voice of Malaysia in English 0800 GMT 19 Sep 92

[Text] Malaysia will reject any condition proposed by the Philippine Government to drop its claim on Sabah. Deputy Prime Minister Ghafar Baba said this is because Sabah is an integral part of the country. As Sabah is part and parcel of Malaysia, the country cannot accept conditions.

He told reporters this upon his arrival in Kota Kinabalu for a two-day visit to the state. Encik [Mr.] Ghafar was commenting on today's newspaper report quoting two Filipino senators as saying conditions would have to be imposed before the Philippines officially dropped its claim on Sabah. Senators Letica Shahani and Santanina Rasul said a joint Malaysia-Philippines patrol in Sabah waters, resolution to the problems of some 300 thousand refugees in the state, and compensation for the heirs of the Sultan of Sulu, as the conditions.

On Tuesday, Prime Minister Datuk Sri Dr. Mahathir Mohamed said it would be difficult for Malaysia to have full diplomatic relations with the Philippines, like signing a friendship agreement and cooperation, as well as border control as long as the claim is not dropped.

Philippine Foreign Secretary Roberto Romulo, during his recent visit to Malaysia, said the Fidel Ramos Administration would discontinue efforts to claim Sabah.

Paper Urges 'Sincerity'

BK2209101592 Kuala Lumpur BERITA HARIAN in Malay 16 Sep 92 p 8

[Editorial: "Sabah: The Philippines Should Prove Its Sincerity"]

[Text] The Philippine claim to Sabah is an old issue dating back to the formation of Malaysia in 1963. Philippine leaders Ferdinand Marcos and Corazon Aquino once pledged to drop the country's claim to Sabah, but the plan was opposed by the Senate. Will the claim be dropped under new President Fidel Ramos? This is still an enigma although the two previous presidents made the same commitment. The three gave a similar reason—opposition from the Senate. We do not consider this issue difficult to settle provided the Philippine Senate understands the ASEAN spirit under which ASEAN wants, among other things, to ensure the security and political stability of this region.

It is a bit surprising to learn of politicking by members of the Philippine Senate because the Philippine Cabinet made up of senior leaders has been unable to drop the claim. However, we now want to see how far Ramos will be able to go in persuading the Senate to ratify a draft bill dropping the country's claim to Sabah. Will Ramos be able to make history by becoming the first leader to drop the claim by the heir of the Sulu Sultanate to Sabah that Sabah was handed over to his forefathers in the 18th century by the sultan of Brunei?

The Philippines should accept the fact that delaying the settlement of the issue may be harmful because Sabah has been developing itself under Malaysia. Despite political differences between the leaders of Sabah and the peninsula, the Sabah people recognize themselves as Malaysian. Malaysia simply wants the Philippines to prove its sincerity in settling the issue. We believe that a decision by the Philippines to drop the claim to Sabah will be important for that country's development because it will speed up the process of delineating the Philippines' borderline minus Sabah and subsequently settle the dispute with Malaysia. History has proven that a border dispute can have a negative impact on security if it continues. History has also proven that many problems can be settled through a bilateral border accord, especially when the dispute involves the third or fourth parties—colonialists.

Nonetheless, the official visit of Philippine Foreign Affairs Secretary Roberto Romulo to Malaysia for talks with his counterpart Datuk Abdullah Ahmad Badawi opened a new chapter in clearing up the issue. He conveyed the president's intention on the Sabah issue to Prime Minister Datuk Sri Dr. Mahathir Mohamed during their meeting yesterday morning. Romulo gave an assurance that Ramos was trying to convince the Senate to support his government's stand in favor of dropping the claim to Sabah. Malaysia will continue to wait and see how much support Ramos will be able to secure. Nonetheless, given the current political situation, it would not be impossible for the Philippines to drop the claim because considerable development has taken place in Sabah since joining Malaysia in 1963.

We want the issue to be settled immediately on the negotiating table without interference from a third party. Malaysia and the Philippines should not argue heatedly over the settlement of the issue. Such an immediate settlement would be very important because the two countries are facing various other issues, including overlapping claims to the Spratlys involving several countries, including China, Vietnam, and Taiwan. Sabah's internal problem involving Filipino immigrants is also giving Kuala Lumpur a headache. Nonetheless, we believe that the long-standing ASEAN solidarity will motivate the Philippines under a new president to be flexible and accept the fact that Sabah no longer belongs to the Philippines as it has claimed.

Mahathir Leads Delegation to Ireland 18 Sep

BK1909064092 Kuala Lumpur BERNAMA in English 0351 GMT 19 Sep 92

[Text] Kuala Lumpur, Sept 19 (OANA/BERNAMA)—Malaysian Prime Minister Dr. Mahathir Mohamed left here Friday for London on his way to Ireland for a five-day official visit beginning Tuesday. It is the first official visit by a Malaysian head of government to the republic. The visit is at the invitation of Irish Prime Minister Albert Reynolds.

Dr. Mahathir will be accompanied on the visit by his wife, Dr. Siti Hasmah Mohamed Ali, Primary Industries Minister Dr. Lim Keng Yaik, International Trade and Industry Minister Rafidah Aziz, Transport Minister Dr. Ling Liong Sik.

The chief minister of Selangor state Muhammad Muhammad Taib and the chief minister of Negeri Sembilan state Mohamed Isa Abdul Samad are also in the delegation.

While in Dublin, Dr. Mahathir will hold discussions with Reynolds and call on the president of Ireland, Mary Robinson. He will also attend a briefing by the Irish Development Authority, visit the Royal College of Surgeons and meet Malaysian students.

He is scheduled to address the Confederation of Irish Industry and Irish board while Dr. Siti Hasmah will be conferred an honorary fellowship by the Royal College of Physicians.

The entourage will also visit Shannon, west of Dublin, the aviation park, Limerick University and Plessey Technological Park.

While in London, Dr. Mahathir will speak at a seminar on investment opportunities in Malaysia organized by the Malaysian Industrial Development Authority (MIDA).

Abdullah on Importance of UN Decision for NAM

BK1809053692 Kuala Lumpur BERNAMA in English 0323 GMT 18 Sep 92

[Text] Kuala Lumpur, Sept 18 (OANA-BERNAMA)—The decision to be taken by the United Nations (UN) regarding Yugoslavia's successor to the world body would have a major bearing on the Nonaligned Movement's (NAM's) eventual move on the same issue, Foreign Minister Datuk Abdullah Ahmad Badawi said Friday.

The UN's decision is a factor, albeit a major one, which NAM cannot ignore even though we have made our stand clear on the issue, especially in not wanting Serbia [and] Montenegro as Yugoslavia's successor in NAM, he told reporters at the Kuala Lumpur International Airport here before leaving for New York to attend the UN General Assembly.

Abdullah is scheduled to address the assembly on Sept 23 and would meet his counterparts in NAM and those from the European Community and Organisation of Islamic Conference (OIC).

He said the NAM ministerial meeting to be held after the announcement of the UN decision would have to rethink or even review its stand should the announcement turn out to be not as favourable as anticipated. However, he pointed out that many countries, particularly in the OIC and NAM were in favour of letting Bosnia-Hercegovina and not Serbia [and] Montenegro succeed Yugoslavia in the UN. Whatever it was, NAM would just have to wait and see before deciding on its next move, he added.

Abdullah also said the ASEAN foreign ministers would hold a dialogue with their EC counterparts in Manila on Oct 29 to discuss the latest global developments and cooperation between the two regions.

The New York meeting would provide an excellent opportunity for the foreign ministers of ASEAN and EC to seek, if not finalise, agreeable issues or agenda for the Manila dialogue, he said. We feel that the dialogue could provide ASEAN an insight into the latest development and future plans of the EC, including its common market and currency programmes, Abdullah said.

Shipping Plutonium Through Melacca Straits Viewed

BK2109124392 Kuala Lumpur NEW SUNDAY TIMES in English 20 Sep 92 p 12

[Editorial: "Bomb Voyage"]

[Text] In June a US destroyer met up with a Singapore merchant ship in the Straits of Melacca. Nobody was killed but there was extensive damage.

In July two supertankers had an encounter in the Straits of Melacca. Consequence: one crew member dead.

In August a 13,000-tonne luxury liner took a dive in the Straits of Melacca after a run-in with a fishing boat. Toll: three dead, six missing, presumed dead.

With such a route record, is it any wonder Malaysia, Singapore and Indonesia are nervous at the idea of a ship carrying one tonne of plutonium ploughing through those same risk-fraught waters? The Straits of Melacca is a narrow waterway crowded at all times with boats large and small plagued on occasions by predatory pirates.

Sure, the ship's cargo will be sheathed in a double-hull and will be covered by the latest in fire-fighting, navigational and communications equipment. Sure, the ship will be bristling with alarms and armed guards to forestall intruders. Not to mention an escort, a patrol vessel of the Japanese Maritime Safety Agency.

But accidents do happen. And it is extra scary to contemplate an accident involving one tonne of plutonium, so close to so many people.

Even if the Akatsuki Maru safely gets through its 10,200 km voyage from Cherbourg, France, to Yokohama, Japan, there will be another ship and another following in its wake, transporting the same lethal cargo. Japan is said to have plans to accumulate 90 tonnes of plutonium by the year 2010 to achieve self-sufficiency in fuel for its 40 nuclear reactors.

If Malaysia cannot find any provision in maritime or international law which will allow the barring of passage through the Straits of Melacca for the Japanese ship, it should quickly get together with Singapore and Indonesia to work out contingency plans. If the ship has to go through, we might as well have a hand in ensuring a swift, safe passage through the crowded waters of the Straits.

One is sure those involved in this move have worked out all the possible scenarios and all the responses to possible emergencies. But the best of planning and the best of equipment have not prevented accidents. Things that were not supposed to happen did. The Titanic will always be an obvious symbol of man's hubris.

The experience acquired after disasters like Chernobyl and Bhopal came at a very high cost. And they have left people with a wariness about the perfectability of complex systems, about assurances of fail-safe processes. Couple that with nightmarish visions of the consequences of atoms unleashed and there is every reason for Malaysians to be uncomfortable with the idea of a regular shuttle of radioactive material through the years through the Straits of Melacca.

On an immediate and practical basis, if the Straits of Melacca must be used, the Japanese authorities should provide Malaysia with information about the ship's schedule and route. Such information can be guarded from all and sundry, available only to those who need to know to ensure a trouble-free passage.

At the same time, the Japanese authorities can also supply Malaysia and its neighbours with the necessary knowhow and equipment in case of an emergency. Better that there be preparations now than the possibility of a scrambled, inadequate response when something goes wrong.

Japan could also consider paying for additional surveillance, guidance and protection while the ship is making its way through the Straits. If nothing else, the additional cover will help to calm undue fears.

It is not that Malaysia wants to dictate who can or cannot pass through surrounding waters, but in this particular case, Malaysia and its neighbours should be heard because we could be lumbered with difficulties not of our asking or doing.

Oil Company Reveals 1992 Production Plan

BK1609153292 Kuala Lumpur BERNAMA in English 0957 GMT 16 Sep 92

[Text] Singapore, Sept. 16 (OANA-BERNAMA)—Petronas, Malaysia's national oil corporation, says its production sharing contractors plan to drill 77 exploration wells and 117 development wells this year.

Over the next four years, the contractors were expected to drill an average of 80 wells annually, the corporation's Senior Vice President (refining and marketing) Ismail Haji Hashim told the Asia Pacific Petroleum conference here Wednesday.

He said over the next few years production sharing contractors' continuous investments in the upstream sector were expected to average $9.0 billion ringgit annually.

Out of this, between 3.0 billion ringgit and 4.0 billion ringgit will be spent on development and production phases alone while the rest will be for the exploration phase and for operations.

"This large investment gives an idea of the numerous opportunities available for the supporting businesses in the upstream sector," Ismail said.

He said since last year exploration in Malaysia had resulted in several significant discoveries with some 400 million barrels of oil and 1.7 trillion cubic feet of gas being added to Malaysia's reserves.

Currently, Malaysia has recoverable reserves of 3.7 billion barrels of crude oil and 67.8 trillion cubic feet of gas.

Ismail said the Dulang oil field, brought into production in April last year, is now producing an average of 40,000 barrels per day. Malaysia's overall oil production now averages 625,000 barrels per day and the country is capable of maintaining that level for the next five years.

Singapore

Spokesman Expresses Concern Over Plutonium Ship

BK1909155492 Singapore Singapore Broadcasting Corporation in English 1100 GMT 19 Sep 92

[Text] Singapore has expressed concern that [words indistinct] shipment of plutonium, expected to be transported by sea from France to Yokohama in November. The ship, the Akatsuki Maru, is said to be passing through the Straits of Melacca with the plutonium for Japan's commercial nuclear program.

A Foreign Ministry spokesman said Singapore believes dangerous materials should not be transported through busy waterways near densely populated areas. He said like Indonesia and Malaysia, Singapore urged Japan to take all necessary safety precautions for transporting such dangerous cargo.

Cambodia

Hun Sen Receives UK Minister of State

BK2209070292 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 22 Sep 92

[Text] His Excellency [H.E.] Hun Sen, chairman of the Council of Ministers and member of the Cambodian Supreme National Council, received Mr. Alistair Goodlad, British minister of state for foreign and commonwealth affairs, at the office of the Council of Ministers on the morning of 22 September.

Speaking on that occasion, H.E. Hun Sen warmly welcomed the presence of the delegation which, he said, is very important to the effort to steadily push the Paris accord implementation forward.

Alistair Goodlad thanked the State of Cambodia for the warm reception. He pledged to help implement the Paris accord and said he would pay great attention to [words indistinct]. He also talked about his visit to the provinces of Battambang and Siem Reap and about Britain's aid to Cambodia.

Receives PRC Deputy Foreign Minister

BK2209060192 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 22 Sep 92

[Text] His Excellency [H.E.] Hun Sen, chairman of the Council of Ministers and member of the Cambodian Supreme National Council, received Mr. Xu Dunxin, deputy minister of foreign affairs of the PRC, at the office of the Council of Ministers on the afternoon of 21 September. During the meeting, H.E. Hun Sen reiterated the goodwill of the State of Cambodia [SOC] to promote a genuine peace process in Cambodia. He reconfirmed the SOC's determination to implement the Paris accord despite the continued Khmer Rouge efforts to create difficulties. Moreover, he said, the Tokyo document has already addressed all the demands made by the Party of Democratic Kampuchea.

In his return speech, Mr. Xu Dunxin voiced support for the SOC's proposal on the presidential election and for the candidacy of His Royal Highness Prince Norodom Sihanouk as head of state of Cambodia.

Foreign Minister Arrives in Tokyo 21 Sep

BK2209054692 Phnom Penh SPK in English 0415 GMT 22 Sep 92

[Text] Phnom Penh SPK September 22—Cambodian Foreign Minister Hor Namhong arrived in Tokyo Monday, 21 September, for a two-day visit during which he will discuss developments in his country's peace process with top Japanese leaders, AFP quoted an official as saying in Tokyo.

The visit by Hor Namhong, a representative of the Phnom Penh government in Cambodia's Supreme National Council (SNC), follows a joint initiative last month between Japan and Thailand to persuade the radical Khmer Rouge faction to participate fully in the peace process.

Japan has proposed the creation of an administrative consultative body including all four Cambodian factions to get around problems raised by the Khmer Rouge, who are insisting that the Phnom Penh government give up some of its powers before the Paris peace accord is fully implemented.

A Japanese official refused to say if Tokyo would make any new proposals because their previous initiative had not yet been presented officially to the Phnom Penh government.

Another meeting between Japanese representatives and the Khmer Rouge in Bangkok was not planned at the moment.

In August, Khmer Rouge nominal leader Khieu Samphan met with Japanese and Thai officials in Bangkok and agreed in principle to Tokyo's proposed administrative consultative body, but demanded the creation of six consultative committees to oversee six ministries.

But the Phnom Penh foreign minister rejected the idea, saying he would never accept the Khmer Rouge conditions.

Hor Namhong is to meet Prime Minister Kiichi Miyazawa, Cabinet Secretary Koichi Kato, Vice Foreign Minister Hisashi Owada, and Koji Kakizawa, the parliamentary vice minister for foreign affairs.

Indonesia

Suharto, Delegation Depart for UNGA Session

BK2009153392 Jakarta Radio Republik Indonesia Network in Indonesian 1500 GMT 20 Sep 92

[Text] President Suharto and Mrs. Tien Suharto are due to leave Jakarta at midnight tonight [1700 GMT] for New York.

During his working visit, President Suharto, as chairman of the Nonaligned Movement [NAM], will deliver an address at the UN General Assembly on 24 September. As chairman of NAM, the head of state is scheduled to be the first speaker at the session.

While in New York, the head of state will receive several leaders of friendly nations and hold discussions on issues of bilateral cooperation between Indonesia and those countries.

On his return trip to Indonesia, President Suharto and Mrs. Suharto will make a stopover in Tokyo where the president will hold talks with Japanese Prime Minister Kiichi Miyazawa, besides having an audience with Japanese Emperor Akihito.

Paper Comments on Nonaligned Action Programs

BK2009122392 Jakarta THE INDONESIA TIMES in English 5 Sep 92 p 2

[Editorial: "Problem Of Implementing NAM's Action Programmes]

[Text] The problem of how to implement the decisions and programmes adopted by NAM [Nonaligned Movement] becomes apropos as the current summit prepares for its conclusion tomorrow. As a matter of fact, even long before the summit began this question has been repeatedly asked and so far we are still far from receiving or finding a convincing answer.

We might start by sorting the various issues into distinguishable parts. Some things are more complex, long-ranged and require meticulous preparations; some are practical and simple.

Some decisions or programmes may require the involvement of specialized institutions and machineries, others may not need them. After a priority list is set, follow-up measures are automatically ranked according to importance and urgency.

In this column yesterday, we already referred to the imperative of creating a strong staff support and a solid working mechanism. Let us ponder the matter further.

The United Nations has a fixed conference venue and a permanent executive council and, logically, a permanent secretariat and administrative staff. It has other permanent agencies (complete with fixed offices) and their representative branches around the world, but also temporary organizations (viz. UN Peacekeping Force).

After 30 years NAM is still without any fixed site or venue, but for all practical purposes it already has what may be regarded as a permanent back-up council in the Coordinating Bureau in New York. The bureau or council should now be equipped with a secretariat (perhaps on a provisional basis to serve the present purposes) under an elected executive, thereby freeing NAM's chairman and bureau members from what can be classified as purely technical functions or duties.

As Indonesian President and concurrently NAM Chairman Suharto has pointed out in his summit inaugural address, an effective support mechanism is needed to ensure the preparation, implementation and follow through of the various agreements on South-South cooperation. Such a support system should encompass functions hitherto undertaken by ministers or senior officials as well as various tasks of a technical nature such as operation of a data bank and project supervision. It seems ominous that South-South cooperation agreements and projects shall demand a fixed executive organization and mechanism.

The fact that the present NAM summit has almost totally concentrated on matters related with the politics and operations of governments is deeply regretted. Forgotten or overlooked are the role and contribution that private organizations and companies can offer in pursuing NAM's decisions and action programmes.

This oversight is regrettable because a major part of the problems faced by NAM member states are in the economic sector and countries that have rapidly progressed owe their success stories to the active participation of private entrepreneurs. Admittedly, such factors easily escape attention because private contribution to national and international economic progress are usually buried among the piles of official macro statistics and graphics.

Concrete and constructive implementation of NAM's decisions and action programmes will be dictated by how large a contribution private firms and organizations can offer. For this reason, there needs to be a definite place for private involvement in the organization and working of NAM's support system other than in the execution of its programmes.

Laos

Kaysone Receives Message From SRV Leaders

BK1809125592 Vientiane PASASON in Lao 17 Sep 92 pp 1, 3

[Message of thanks from Do Muoi, general secretary of the Communist Party of Vietnam Central Committee; Vo Chi Cong, chairman of the State Council of SRV; Vo Van Kiet, chairman of the Council of Ministers of the SRV; and Le Quang Dao, chairman of the National Assembly of the SRV, to Kaysone Phomvihan, chairman of the Lao People's Revolutionary Party Central Committee and president of the Lao People's Democratic Republic; Nouhak Phoumsavan, chairman of the Supreme People's Assembly; and Khamtai Siphandon, prime minister of the Lao People's Democratic Republic—dated 9 September 1992]

[Text] We would like to express our sincere and profound thanks to you, comrades, and to the Lao People's Revolutionary Party [LPRP] Central Committee, the Supreme People's Assembly [SPA], the Lao Government, and the entire multiethnic Lao people for sending your excellent congratulations and profound friendship to the Vietnamese people on the occasion of the 47th anniversary of the SRV national day. We regard this gesture as a great encouragement for the Vietnamese people in carrying out the tasks of national construction and national defense.

On this occasion, we would like to extend our sincere gratitude toward the Lao party, Government, and multiethnic people for your invaluable support and assistance given to the Vietnamese revolution.

May the relations of friendship, special solidarity, and comprehensive cooperation between Vietnam and Laos be further consolidated, restructured, and developed.

May the multiethnic Lao people under the correct leadership of the LPRP headed by respected and beloved Comrade Kaysone Phomvihan attain greater victories in the cause of restructuring and in building and defending the country.

May all you, comrades, have good health and attain victories in your noble tasks.

On the same occasion, Comrade Phoun Sipaseut, foreign affairs minister of the Lao People's Democratic Republic, also received a message of thanks from Comrade Nguyen Manh Cam, foreign affairs minister of the SRV.

Memorandum on River Survey Signed With PRC

BK2109144192 Vientiane Vitthayou Hengsat Radio Network in Lao 0500 GMT 21 Sep 92

[Text] On the evening of 19 September at the Mekong Restuarant in Vientiane, a ceremony was held to sign a memorandum on the meeting between the technical team of the Ministry of Communications, Transport, Posts, and Construction of the Lao People's Democratic Republic and the delegation of the Telecommunications Department from the PRC's Yunnan Province on the third stage of the survey conducted along the northern Mekong River from Bokeo Province to the Lao-Chinese border.

The substance of the memorandum was aimed at resolving cross-border transport problems between Laos and China and at facilitating contacts among people living on both banks of the river in the said border area.

Signing the memorandum were, on the Lao side, Boualai Souk-aloun, chief of the Communications Department of the Ministry of Communications, Transport, Posts, and Construction, and on the Chinese side, (Zhu Chongshang), deputy head of the Communciations Department of Yunnan Province. The signing was witnessed by Deputy Ministrer Bouasi Lovansai and a number of high-ranking officials concerned from both sides.

Assembly Delegation Leaves for Jakarta Congress

BK2209035492 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 22 Sep 92

[Text] A Supreme People's Assembly [SPA] delegation led by Viset Savengseuksa, member of the SPA, deputy head of the Foreign Relations Commission, and deputy chairman of the Interparliamentary Committee of the Lao People's Democratic Republic, has left for Jakarta, the capital of Indonesia, to attend the 13th congress of the ASEAN Interparliamentary Organization. The congress is scheduled to be held from 21 to 26 September. The participants will assess plans and cooperation projects among ASEAN member countries at the congress.

Duty Stamp Introduced To Combat Smuggling

BK2109012992 Bangkok BANGKOK POST in English 21 Sep 92 p 17

[Text] In an effort to prevent smuggling, the Laotian Government recently regulated that duty stamps be affixed to eight types of consumer goods and home electrical appliances imported from Thailand.

Thai Commercial Counsellor to Vientiane, Sophon Kosanyawat, said that the Laotian Economic Planning and Finance Ministry recently announced the new regulations requiring eight imported product categories to put stamp duties on packages as proof of tax collection.

The eight products comprise, foreign liquor, beer, soft drinks, cigarettes and cigars, cameras, watches and electrical home appliances.

The regulation aims to prevent widespread smuggling of imports from neighbouring countries, especially Thailand, and its requirement will be first imposed in the Vientiane area, before expanding to other areas in the near future.

According to statistics, in the first half of this year the Laotian Government seized goods worth more than 21 million baht in 2,014 cases of smuggling.

Trade Union Issues Instruction on Elections

BK2209053192 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 22 Sep 92

["Instruction" issued by the Federation of Lao Trade Unions Central Committee to trade unions at all levels on participation in campaigns for the national election of the third National Assembly; date not given]

[Text] To guarantee fulfillment of the objectives and the noble achievements in implementing the guidelines and plans of the National Election Committee, the Federation of Lao Trade Unions [FLTU] Central Committee hereby issues an instruction to trade unions of all provinces, municipalities, branches of service, and grass roots throughout the country to attentively encourage the contingents of cadres and members of the trade unions to take part in campaigns for the nationwide election of the third National Assembly to be held in the near future.

To successfully fulfill the objectives, first and foremost, the cadres and members of the trade unions are encouraged to take part in political campaigns. They must also join in studying backgrounds of personnel who are selected to represent them in running in the election. They must see if their selected personnel are fully qualified for the election. At the same time, they must be conscious to exercise their democratic rights by voting in a timely manner.

In addition, trade unions at all levels are instructed to launch campaigns in an enthusiastic and expansive atmosphere to welcome the third nationwide trade union congress. As for the concrete contents, forms, and methods of the campaigns, they will be adopted and publicized by the electoral committees in their respective areas.

Import-Export Figures for Jan-Jun 1992 Reported

BK2009132592 Vientiane PASASON in Lao 15 Sep 92 p 2

[Report by S. Phantavong: "We suffered foreign trade deficit of U.S. $65 million in first six months of 1992"]

[Text] In his interview with our reporters, Nokham Lattanavong, director of the Foreign Trade Department, said: In the first six months of 1992, Laos' total trading transactions with foreign countries were worth U.S. $147 million. Of this figure, U.S. $41 million was in the form of exports and U.S. $106 million in the form of imports. Therefore, we still suffered about a foreign trade deficit of U.S. $65 million during the period. During the same period, we also received approximately U.S. $12 million in aid from the international community.

Thailand is the country which imported most goods from our country during the period—appoximately U.S. $26 million. The other countries importing goods from Laos include Vietnam—U.S $1.7 million; France; Japan; and Canada. The most basic goods we exported were timber and processed wood products—U.S. $13.6 million; industrial products and electricity—U.S. $12 million; domestic livestock—U.S. $1.8 million; coffee and tea—U.S. $1.3 million; and other such commodities as forest and farm products, mineral ores, and handicraft products.

Nokham Lattanavong went on to say that the Ministry [of Foreign Economic Relations] is currently asking many countries to lower import tariffs for agricultural and industrial goods they import from Laos so that they can be competetive with goods from other countries. He pointed out that currently Laos' agricultural products are enjoying such privileges with some countries, such as Thailand. He stressed that, as a primary target, we are currently placing an emphasis on exporting our products to markets in the neighboring countries. In the future, we will concentrate efforts on exporting to those countries that set up higher standards regarding the quality of imports, such as European countries.

Prominent among the goods we imported into the country during the same period were oil products—U.S. $24 million; food products—U.S. $4.9 million; automobiles and spare parts; machine tools; fabric materials; construction materials; and medical products.

Philippines

Foreign Secretary on UN Plan for Spratlys Issue

HK2209033892 Manila BUSINESS WORLD in English 22 Sep 92 p 12

[By Jose G. Ebro]

[Text] Foreign Affairs Secretary Roberto Romulo, currently attending the UN General Assembly in New York, will be exploring ways by which ongoing debate on a stronger peacemaking role for the UN can be applied to staving off conflict in the South China Sea.

"We are looking at (UN Secretary-General Butrus) Butrus-Ghali's 'Agenda for Peace' with great interest and we want to see how this would apply to us, to our concerns," Mr. Romulo said prior to his departure last Friday.

The recommendations, outlined by the UN secretary-general last June, suggest a strengthened UN role in heading off international conflicts, making peace should such conflicts arise, keeping the peace, and building support structures to ensure that such conflicts do not flare up again.

Under his plan, Mr. Butrus-Ghali has called on regional organizations, such as the Association of Southeast Asian Nations (ASEAN), for example, to take an active role in the settlement of disputes in their respective areas. His idea of "preventive diplomacy" urges channels for peaceful resolution such as mediation, negotiations or arbitration of disputes. Also, he has asked states to place greater reliance on the International Court of Justice for the peaceful adjudication of their differences.

Along with such forms of "preventive diplomacy," the UN "Agenda for Peace" will manifest a stronger peacemaking role through the "preventive deployment of UN forces." In cases where a nation is threatened by a cross-border attack, it could request a UN presence to deter such an attack.

The new "peace enforcement units" Mr. Butrus-Ghali has conceptualized will be more heavily armed than current peacekeeping forces. That option, he believes, is "essential to the credibility of the United Nations as a guarantor of security."

Mr. Romulo said the Philippines would call the attention of the UN to efforts by ASEAN to bring about a peaceful resolution of the conflicting territorial claims over the Spratly Islands chain. A close aide said this would increase "pressures on China" to get it to agree to an official-level discussion on the South China Sea disputes.

The Foreign Affairs secretary headed off speculations he was contemplating the stationing of troops in the Spratlys.

"At this point in time, I don't think the problem requires intervention by the UN," Mr. Romulo said, "we want to keep the rest of the world informed."

Another ranking official of the Department of Foreign Affairs said this would be tantamount to blowing the whistle on "other states, who otherwise, may not be as disposed towards a peaceful settlement."

Industrialist, Official Warn of NAFTA 'Threat'

HK2209051592 Manila THE CHRONICLE in English 22 Sep 92 p 11

[Text] The soon-to-be-implemented North America Free Trade Area (Nafta) looms a bigger threat than the foreign exchange liberalization policy and the resulting peso appreciation.

But industrialist Raul Concepcion, the private sector representative in the Asian Free Trade Area (Afta) Commission, said that the peso strengthening has more immediate impact than Nafta's advent, citing the Foreign Exchange Buyers' Association's prediction of 20 percent to 30 percent losses in trade transactions as a result of deregulations.

Board of Investments [BOI] Vice Chairman Tomas Alcantara seemed to agree, as he reminded exporters that Nafta was still up for ratification by the Congress of the United States, Canada, and Mexico. The Nafta, to be implemented in January, 1993, seeks to create a free trade area between the United States, Canada and Mexico.

Concepcion left last September 10 for a five-week observation tour of the US and Canada and talks with the private sector representatives there on Nafta's possible effects on the Philippine exports.

Trade and Industry Secretary Rizalino Navarro was likewise concerned with Nafta's effects on local exports as shown by his presence in the Asia-Pacific Economic Council's meeting in Bangkok. The meeting took up Nafta's effects even before Asean senior economic ministers meet here next month.

Although Alcantara claimed that government refuses to act on Nafta's possible adverse affects to local exports, the BOI is working on the shortening of the negative list of the Foreign Investments Act to attract more foreign inventors to the country. This negative list contains economic areas, which are off limits to foreign investors.

Concepcion said the nation's exports seemed to have lost sight that the Nafta's local content requirement could mean definite loss of business and even shutdown. Instead of using Philippine yarn, for example, in making a dress for export to the United States, North American yarn should be used.

This requirement could lead to a major shift in investments from the Philippines and other Asian countries to Mexico, he said.

"You have to think in advance. And that's why the Japanese and Koreans, they're very forward thinking. [sentence as published] Here, we've a lot of influence because the biggest exporters of garments are the multinationals themselves. Many of them are here. We should use that leverage," Concepcion said.

Ramos Announces Law Legalizing Communist Party

HK2209072492 Quezon City Radyo ng Bayan in Tagalog 0628 GMT 22 Sep 92

[Speech by President Fidel V. Ramos on signing law legalizing the Communist Party of the Philippines; in Malacanang Palace, Manila—live, in English]

[Text] Ladies and gentlemen of the Senate and of the House of Representatives, Mr. Vice President, other special guests, ladies and gentlemen:

Today's repeal of the law outlawing the Communist Party and penalizing membership in it moves forward our efforts to attain enduring peace. The historic significance of this new Republic Act, RA 7636, is underlined by the fact that it is the very first law that the Ninth Congress has passed and the first one which this president has approved.

Republic Act 1700 was passed 35 years ago when communism seemed to be the way of the future by a Philippine state fearful of being submerged in its tide.

Today we repeal it, confident of our national stability and confirmed in the resilience of our democracy.

By assuring communist insurgents of political space, we also challenge them to compete under our constitutional system and free market of ideas which are guaranteed by the rule of law.

We are reaching out to the communist rebels without any illusions that the rest of the way will be easy. Even so, we are willing to sit and dialogue with them, in the hope that we can put an end to the killing and the suffering and bring back to civil society the young men and women, the cadres of the movement, who are also its sacrificial victims.

It is to these young people that my heart goes out. As president, as commander-in-chief, as a veteran, and as a parent, to these young Filipinos I say: You have fought long enough. You have proved your courage. Now take the peace we offer, a peace with honor and justice, a peace that will enable you to take hold of your life again and rejoin the mainstream of Philippine society in the rebuilding of our nation.

My government is addressing the root causes of rebellion and not just its symptoms. We are determined to reduce poverty, remedy injustice, remove ignorance, and protect the law-abiding.

I see positive and meaningful roles for all concerned Filipinos in the good society we are all trying to build; for the CPP-NPA-NDF [Communist Party of the Philippines—New People's Army-National Democratic Front], the constructive role that your erstwhile comrade Bernabe Buscayno, Commander Dante, has found for himself.

I thank most sincerely the Senate and the House of Representatives for their responsive and expeditious action on this priority administration bill. Indeed, our unified efforts to effect the repeal of RA 1700 as part of the government's comprehensive peace package augurs well for the attainment of our common goal to establish the conditions necessary to make the Philippines a better place to live in and enable it to regain a respected and dignified place in the community of nations.

Congratulations, and my highest commendations to all. Thank you and good afternoon to you all.

Ramos Accepts Enrile Offer To Contact Honasan

HK2109092392 Manila MANILA BULLETIN in English 21 Sep 92 pp 1, 12

[Report by Johanna Son; italicized passages published in Tagalog]

[Text] President Ramos yesterday accepted an offer from his old rival, Cagayan Rep. Juan Ponce Enrile, to help in luring right-wing rebel soldiers, particularly Lt. Col. Gregorio "Gringo" Honasan, out of hiding to negotiate peace with the government.

Mr. Ramos spoke to reporters during a break while taking part in a golf tournament at Camp Aguinaldo, which was also attended by Enrile, Defense Secretary Renato de Villa, and Batangas Rep. Eduardo Ermita. The tournament was held to raise funds for the victims of the lahar devastation in Central Luzon.

"We have asked the NUC (National Unification Commission) to handle this (Enrile's offer),*and I perceive Congressman Juan Ponce Enrile as being sincere in his offer. We are together even today,"* he said.

De Villa and Enrile are both members of the NUC, which had been formed by Mr. Ramos to draw up a comprehensive amnesty package for rightist, leftist and secessionist rebels.

Earlier, Enrile expressed readiness to seek contact with Honasan and other renegade soldiers "if requested" by the government. He said, however, that he could not guarantee that his talks with Honasan would be successful. "I don't know what they have in mind. I have not talked to them for a long, long time," he said.

Honasan, the most prominent leader of the Reform the Armed Forces Movement (RAM), has had a long friendship with Enrile that began when Enrile was serving as defense minister.

The President said he certainly welcomed "the help and support of all those who want to help facilitate the peace process so that we can finally achieve enduring peace and stability."

But he ruled out the possibility that the government would agree to peace talks outside the country with either rightist or leftist rebels or the Muslim secessionists.

"We must make sure that we keep our negotiations here *and what is needed here is that* everyone should accept the democratic process we have adopted in this country which starts with the Constitution," he said.

Mr. Ramos also said he was "very happy" about the statement of NUC chairman Haydee Yorac that she had spoken with Honasan who told her he was willing to give the President's peace initiative a chance.

Yorac named a governor over the weekend as the chief peace negotiator for Mindanao.

Yorac has appointed Misamis Oriental Gov. Vicente Emano to be the government's chief negotiator in seeking a Mindanao-wide cease-fire with communist rebels while the peace talks are going on.

Emano's appointment came after the rebels, in a demonstration of their desire to seek peace, released from their custody a police chief and two other policemen they had captured during an encounter in Gingoog City last July.

Emano, who had worked as peace emissary before, said he would seek talks even with Muslim rebels if they came to him.

Brig. Gen. Quintin Alcudia, commander of the Army's 4th Infantry Division, immediately ordered a stop to military offensives in the two Agusan provinces to give way to the peace negotiations.

In a related development, Foreign Secretary Roberto Romulo said that peace talks with leftist rebels was an "internal matter" that should not be "internationalized."

"It's just a geographic accident that those jerks (officials of the leftist movement) are over there in Utrecht," he quipped. Romulo was referring to Jose Ma. Sison, founder of the Communist Party of the Philippines, and Luis Jalandoni, spokesman of the National Democratic Front, who are both in exile in the Netherlands.

Romulo, who spoke to reporters before leaving for New York Friday to attend the United Nations General Assembly, said: "I don't think the DFA [Department of Foreign Affairs] or the administration would like to treat this internationally like the Khmer Rouge or the Contras. We're not willing to do that."

Negros Occidental Rebels Reject Amnesty Offer

HK2109072292 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 0400 GMT 21 Sep 92

[By Leilani Salem]

[Text] The Communist Party of the Philippines [CPP] organization here in Negros Occidental has been calling on its comrades to continue their armed struggle despite the government's reconciliation efforts.

Magno Santiago, spokesman for the Revolutionaries of the Impoverished Tillers of the Land, said in a two-page statement that the government's offer is no good and believes victory can be attained only through revolution.

Meanwhile, Negros Occidental Governor Lito Coscuella has appealed to Samuel Antonio, a former communist rebel and Protestant pastor, to help negotiate with the rebels. Antonio was recently granted a safe conduct pass for helping the provincial government establish peace negotiations. He and his wife Leonita were the first in Negros Occidental to be awarded safe-conduct passes by the government.

As of now, nine high ranking CPP-New People's Army [NPA] officials have availed of the amnesty program here in Negros. They are all members of the Front Committee 3 of the CPP-NPA.

Military Rebels Reject Abadia as Mediator

HK2209061792 Manila THE CHRONICLE in English 22 Sep 92 p 11

[Report by Dario Agnote]

[Text] Fugitive putsch leaders have discarded Gen. Lisandro C. Abadia, Armed Forces chief of staff, as go-between in peace talks and have decided to deal directly with Haydee Yorac, chairman of the National Unification Commission [NUC].

A young officer involved in past coup attempts made this disclosure during a meeting with journalists over the weekend at an undisclosed place in Manila. It was the first official statement of fugitive putsch leaders since President Ramos launched his peace initiative toward all rebels during his inaugural June 30. "We are open to peace talks and we are not rejecting it. We have no option but to participate in the peace initiative," said the officer who asked not to be identified.

In a related development, the AFP [Armed Forces of the Philippines] intelligence chief said the military shall score "a strategic victory" over the communist New People's Army [NPA] by the end of 1993 but added the insurgents will not be wiped out by military means alone.

Brig. Gen. Alfredo Filler told reporters the number of NPA guerillas had fallen from a peak of 25,000 in 1987 to 1,500 in June. "By the end of 1993, the Armed Forces will achieve strategic victory over the rebels ...but you cannot eliminate insurgency totally by military action alone," he said.

The government and communist rebels have agreed to hold formal peace talks to end the 23-year-old conflict but differ sharply on the venue.

The young rebel officer said Gregorio Honasan and other putsch leaders are "in constant touch" with Yorac, head of the NUC overseeing the government's amnesty program and following up Mr. Ramos' peace initiative. The officer said Yorac has the "respect and trust" of Honasan and his comrades. He said Honasan and the other putsch leaders like Felix Turingan and Domingo Calajate were no longer inclined to meet with Abadia.

He said Abadia's statements "only muddle the proposed talks between the government and the rebel forces. He added that Honasan and his comrades lost their trust in Abadia who failed to address the eight-talking points they proposed last October after the AFP chief of staff met with the three military rebel groups—Rebolusyo—Naryong Alyansang Makabayan, [nationalist revolutionary alliance] Soldiers of the Filipino People, Young Officers Union.

The rebel officer said the putsch leaders were open to Mr. Ramos' peace offer. "Greg and the others are open to this initiative as long as it will not compromise our cause in this struggle. Good government is still the bottomline," he said.

The officer said the talks between the government and the military rebels need not be formal or one-on-one. "As long as we come up with good agenda, the talks will push through," he said.

The junior officer said the proposed talking points were now being updated, with the possible inclusion of the Mount Pinatubo issue. The officer said Honasan and his comrades were willing to surface if the government would take up "50 percent of the talking points."

On peace talks with communist rebels, Filler said Jose Ma. Sison will be arrested if he returned to Manila from his exile in the Netherlands unless he got a safe conduct pass from the government. Filler said Sison was still chairman of the Communist Party of the Philippines and has a pending subversion charge. President Ramos has rejected Sison's demand that peace talks be held abroad, saying the insurgency was an internal problem that must be settled in the Philippines.

Sison Says Exiled Leaders Vital to Peace Talks

HK2109093892 Manila PHILIPPINE DAILY INQUIRER in English 19 Sep 92 pp 1, 12

[Report by Juliet M. Labog]

[Text] No peace talks, whether on the national or local level, will be held if the government disregards exiled representatives of the National Democratic Front [NDF], Communist Party founder Jose Ma. Sison said yesterday.

No one else but NDF vice chairman Luis Jalandoni is the "duly authorized representative" of the underground movement in negotiating peace with the government, Sison told the INQUIRER in a telephone interview from the Netherlands.

Government officials have said they would talk with local communist leaders if Sison and Jalandoni insist that the negotiations be held abroad.

This developed as the Armed Forces leadership demanded that the NDF categorically declare that Sison and Jalandoni are the official leaders of the communist rebels.

"We want a manifesto from the (CPP) Central Committee affirming Sison's leadership," said Gen. Lisandro Abadia, AFP [Armed Forces of the Philippines] chief of staff. "We have not received any categorical statement from the NDF that Sison or Jalandoni speak for the entire CPP-NPA [New People's Army]-NDF."

Abadia said Sison or Jalandoni should come to the Philippines if indeed they are the acknowledged leaders of the communist movement.

The military believes that Sison reassumed his post as CPP chairman after the peace talks with the administration of former President Corazon Aquino collapsed in 1987.

But Sison said the government "will be rebuffed as before by the organs of the NDF" if it disregards the NDF leaders abroad in the peace talks.

"If (President) Ramos and his followers keep on going back to their psywar and pacification schemes, then the NDF will respond accordingly," Sison said. He did not elaborate, but said this meant "several possibilities."

The President, insisting that the talks should be held here, has directed governors to negotiate peace with communist leaders in their areas.

Jalandoni, exiled in the Netherlands since 1977, represented the NDF in the exploratory talks with Tarlac Rep. Jose Yap, the President's emissary, in The Hague from Aug 31 to Sept 1.

The talks led to the signing of a five-point declaration on the holding of formal negotiations to end the 23-year insurgency.

NDF chairman Manuel Romero has approved the communique "in its entirety" while Mr. Ramos has asked the National Unification Commission [NUC] to evaluate it first.

The NUC, which will draw up the government's peace package for leftist and rightist rebels, wants a personal briefing from Yap, who is still in the United States, before endorsing the communique.

Defense Secretary Renato de Villa, an NUC member, earlier said the government was planning to talk with acting CPP chairman Benito Tiamzon in lieu of Sison and Jalandoni.

But Sison laughed off the threat.

"General De Villa is just fishing when he mentioned Tiamzon," he said.

He reiterated the NDF position that the formal talks should be held in a neutral, foreign venue with an impartial, international third party as mediator.

Thailand

Democrat Party MP Marut Elected House Speaker

BK2209053492 Bangkok Army Television Channel 5 in Thai 0500 GMT 22 Sep 92

[Text] As generally expected, the Democrat Party deputy leader, Marut Bunnak, has been elected as the House speaker. The meeting of the House of Representatives this morning was temporarily chaired by Lampang Province Member of Parliament Buntheng Thongsawat, since he is the seniormost MP. Marut Bunnak was nominated for House speaker by New Aspiration Party MP Phisan Munlasatsathon when the selection for the House speaker and deputies began. Mr Marut's nomination was approved, since there were no other nominations.

The meeting also elected Wanmuhamatno Matha, New Aspiration Party MP, as the first deputy House speaker, and Thawin Phraison, Phalang Tham Party MP, as the second House speaker. The meeting closed at 0950.

Future Coalition Foreign Policy Viewed

BK2109021792 Bangkok THE NATION in English 21 Sep 92 p A6

[Commentary by Kawi Chongkitthawon]

[Text] The foreign policy of the coalition government under prime minister designate Chuan Likphai will not be dissimilar to that of the Chatchai and two Anan administrations.

The policy will be pragmatic and economic-oriented and also reflect the desire to keep up with the global trends moving toward increased inter-independency.

Discussions with senior officials of Phalang Tham and Democrat parties last week revealed a strong wish to improve on the approaches toward neighbouring countries, especially Burma, and major powers. Phalang Tham's adviser Sqd Ldr Prasong Sunsiri is expected to become the country's new foreign minister and Democrat's executive member, Surin Phitsuwan, deputy foreign minister.

Although they agreed the policies toward Laos, Vietnam and Cambodia are generally good and display the sensitivity Thailand has for its neighbours, they still think concrete international economic policies and programmes are still missing in forging closer economic relations with Indochina.

In addition, the new government will concentrate on bringing to fruition plans to turn Thailand into a regional financial centre, particularly for doing business with Indochina.

They said the country's policy towards Burma needed reappraisal, with emphasis on legalizing border trade and opening more check points between Thailand and Burma and improved treatment of Burmese students living here in exile.

One of them, who is likely to take a top post in the Foreign Ministry, said while the policy of "constructive engagement" with Burma, which was adopted by Asean and spearheaded by Thailand, would be maintained, the new government would continue diplomatic efforts to increase Rangoon's contacts with its neighbours, especially Asean countries.

By adopting such an attitude, it was hoped positive changes would take place at a faster pace in Burma. "Otherwise, it would be difficult for Thailand to maintain this kind of policy," he warned.

The Thai government had to ensure Burma's future generation would remember its positive role in helping to democratise their country instead of helping the current regime to further suppress the pro-democracy elements.

Regarding policy toward Cambodia, the Chuan administration would not stand "idle" on the Khmer Rouge's continued intransigence on the United Nations-brokered peace plan, he said. The incoming government wants to see the Marxist group cooperate in implementing the peace plan. Strict controls on the Thai-Cambodian border will be gradually lessened, with less ambiguous and surreptitious control exercised by special task forces.

With Chuan at the helm, Thailand will enjoy a better image in the international community because of public recognition for his impeccable record. His strong parliamentary background is a big asset for the country as it moves towards strengthening its democracy. He would be able to foster closer ties with the democratic West.

Changes are likely to take place in Thailand's handling of relations with the United States and China. Relations with other nations generally will remain unchanged. For example, Thailand's excellent ties with Japan are likely to be continued.

Last Wednesday, five former Thai ambassadors to Washington—caretaker Prime Minister Anan Panyarachun, caretaker Foreign Minister Asa Sarasin, former foreign minister Thanat Khoman, the caretaker Minister Attached to PM's Office M.R. Kasemsamoson Kasemsi and former deputy foreign minister Arun Phanuphong—held a seven-hour closed-door brain-storming session at the Foreign Ministry trying to pinpoint the real nature of Thai-US relations.

According to a Foreign Ministry official who attended the session, their conclusion, which will be passed on to the next government, was stark as well as enlightening.

The official said the group agreed there was no such thing as "a special relationship" between Thailand and the United States. They shared the same view that Bangkok, in dealing with Washington, must be firmer and speak with one voice.

They also recommended that in order to have respectable and healthy relations with the United States, Thailand must quickly improve and strengthen its national resilience and increase coordination among government organizations.

"That's the only way to avoid being victimized by growing US trade pressure," said the official.

The new government would continue to intensify its efforts to meet unrelenting US demands for the protection of intellectual property rights. At the same time, it would adopt a "business-like" attitude to the United States on defence cooperation, including arms purchase, that has existed for four decades.

During the Cambodian conflict, Sino-Thai relations were considered the main pillar of Thailand's bilateral ties. That time has passed. In the post-Cambodian era, Thailand is expecting painful adjustments to its friendship with China.

The country's top security, defence and intelligence officials have prepared a new, confidential report assessing security threats to Thailand in the next five years. They identified China as Thailand's main threat.

In the past, Vietnam was considered the country's arch enemy because of its military occupation of Cambodia.

Apart from the renewed fear of China, Sino-Thai ties could face a new problem on the influx of illegal Chinese immigrants to Thailand. According to a conservative estimate, more than 100,000 Chinese illegal immigrants, including labourers, are living throughout Thailand. "Over time, these people could be a destabilizing factor," a senior security official warned.

Although the Chuan administration will see China as a good friend, it does not expect the intimacy of the past. The government will encourage the private sector to take advantage of the economic boom in southern China. Huge arms purchases from China, as in the past, are out of question.

In summing up, the foreign policy of the new government will be "gentler" toward neighbouring countries while it will be "firmer" towards major powers, particularly the United States and China. While economic cooperation with Asean members and other countries will remain a top priority, it will be aimed at increasing the nation's economic and political resilience.

Civilian Defense Minister Deemed Possible

BK2009050992 Bangkok THE NATION in English 20 Sep 92 p A2

[Text] Permanent Secretary for Defence Wanchai Ruangtrakun said yesterday that although the next defence minister could be either a civilian or a retired military officer, he should not be directly involved in personnel administration of the armed forces.

Gen Wanchai, who will retire by the end of this month, said he would not mind having a civilian as defence minister so long as the minister concentrated on policy matters and found enough funds for the armed forces.

"The new defence minister should be able to identify himself with members of the armed forces and protect the military's interests," Wanchai said.

He said an ideal defence minister should be like former prime minister Chatchai Chunhawan who made known his intention to deal only with the policy level of military affairs.

Senior military officers, including Supreme Commander Woranat Aphichari and armed forces chiefs, have said the military would have no problem working with a civilian defence minister if the new coalition government appointed a civilian to the post.

Leaders of the armed forces, who traditionally have assumed the role of political kingmakers, have kept a low profile before and after the general election.

Military leaders who rose to power following the purge of commanders blamed for the May 17-20 bloodshed have pledged to stay out of politics and concentrate on their professional duties.

The Democrat Party, which is in the process of forming a coalition government, has tentatively agreed to appoint a retired military officer as defence minister.

Pressure Groups Urge Annulling Amnesty Decree

BK1909052392 Bangkok THE NATION in English 19 Sep 92 p A2

[Text] About 20 pressure groups yesterday called on the four "angelic" parties to vote against the royal decree which was issued to pardon former military leaders for their role in the May massacre of pro-democracy demonstrators.

The groups, including non-government organizations, lawyers and judges, reminded the Phalang Tham, Democrat, New Aspiration and Solidarity parties of their pledges to kill the amnesty decree when it is submitted to Parliament.

The groups made the call during a panel discussion on the decree held at Thammasat University by the coordinating committee on human rights.

Also participating in the discussion were the Campaign for Popular Democracy, the Student Federation of Thailand, the Foundation for Children, the May Heros Relatives Committee and the general public.

The four parties, which had joined forces against non-elected prime minister Gen Suchinda Khraprayun, captured a slim majority in the House of Representatives in Sunday's election. The four jointly won 185 of 360 seats.

Suchinda issued the decree pardoning "all sides" in the political violence during May 17-20, before stepping down in disgrace. But critics said the decree was issued to help the top brass escape being punished for their role in the bloody crackdown.

At least 52 people were killed during the crackdown and hundreds others injured.

ACM Kaset Rotchananin, former supreme commander, Gen Itsaraphong Nunphakdi, ex Army chief and Lt Gen Chainarong Nunphakdi, former commander of the 1st Army Region were among military leaders who were held responsible for the crackdown. They were later demoted.

The four parties have failed to have the decree ruled unconstitutional by the Constitutional Tribunal.

The decree is required by the Constitution to be passed or rejected by the House in its first sitting following the appointment of the House speaker. The House is scheduled to convene on Tuesday only to choose the speaker.

It is debatable whether the amnesty would still be in place if the decree is rejected by the House. Some legal experts say that the amnesty already granted could not be revoked. But others say a House rejection might allow the four parties to seek another ruling from the Constitutional Tribunal to nullify the amnesty.

Democrat deputy leader Marut Bunnak has suggested that new legislation be issued to nullify the decree and retroactively annul the amnesty.

Army Commander Tells Soldiers To Adapt

BK1909061092 Bangkok BANGKOK POST in English 19 Sep 92 p 3

[Text] Army Commander-in-Chief Wimon Wongwanit yesterday told soldiers to adjust themselves to the changing political situation in the country. Addressing some 500 soldiers of the 15th Infantry Regiment in Nakhon Si Thammarat's Fort Watchirawut, he said recent political events may affect soldiers' morale but they should prepare themselves for the changing political world. Gen Wimon stressed that career soldiers should "accept things the way they are."

Meanwhile, he dismissed rumours that the torching of three elementary schools in Yala, Pattani and Narathiwat provinces on Sunday night was politically motivated.

Navy Receives New Chinese-Built Frigate

BK2009075192 Bangkok Radio Thailand Network in Thai 1200 GMT 19 Sep 92

[Text] At the Sattahip Naval Base today, Royal Fleet Commander Admiral Santiphap Muming represented the Navy by presiding over the function to take delivery of the ship Kraburi which was built in China. The Kraburi is the last ship in the Chao Phraya class of Chinese-built frigates. Its normal displacement is 1.676 tons and its speed is 30 knots per hour. It is 130 meters long, staffed by 22 officers and 146 sailors, and costs 1.5 billion baht. It is equipped with French-built anti-submarine, surface combat, and antiaircraft systems.

According to Adm. Santiphap, a new class of frigates will gradually arrive in 1994. The Navy needs 20 more of this type of ship; it currently has less than 10. The ships which will be delivered in 1994 will be in the 2,500-ton class and will cost 2.5 billion baht each. They will be called the Naresuan-Taksin class. Santiphap said the Navy currently has enough anti-submarine ships. The frigates will protect Thai waters in the Andaman Sea and the Gulf of Thailand, with disaster relief and rescue being their main tasks.

Trade Delegation To Hold Discussions in PRC

BK1909083992 Bangkok XING XIAN RIBAO in Chinese 19 Sep 92 p 4

[Text] According to a Commerce Ministry source, Foreign Trade Department deputy director general Arun Winaiphaet is leading a trade delegation to visit China between 18 and 19 September to discuss bilateral trade issues with Chinese trade agencies. During the visit, the delegation will ask China to buy more Thai products, such as rubber, rice, tobacco leaf, ornament, and coffee. The source said that China enjoyed a trade surplus of 191.85 million U.S. dollars in bilateral trade with Thailand during the first half of this year. The value of bilateral trade between the two countries during the period was recorded at 618.97 million U.S. dollars, about 1.3 percent less than that of the same period last year. Consequently, Thailand wants China to buy more Thai products, especially industrial ones.

In addition, the source also said that the two sides will discuss ways of expanding trade between the country. China buys over 100,000 metric tons of rice from Thailand annually.

Ministry To Upgrade Burmese Border Checkpoints

BK2009013592 Bangkok BANGKOK POST in English 20 Sep 92 p 3

[Text] The Ministry of Interior is to upgrade the status of three checkpoints on the Thai-Burmese border to facilitate travel and trade following five years of negotiations with Rangoon.

The Interior plans to grant the three temporary checkpoints—at Mae Sai in Chiang Rai, Mae Sot in Tak and Ranong Province—permanent status.

A ministry source said none of the border checkpoints with Burma was operated on a permanent basis while Thailand has eight such checkpoints with Laos.

Many Thais and foreigners use Mae Sai to cross into Burma every day.

Thai authorities hope the upgrade in status will improve security and revenue collection.

At present Burma charges 15 baht for every Thai crossing into Burma through Mae Sai and 250 baht for a foreigner.

Vietnam

19th Joint Search for MIA's Concludes

BK2109145592 Hanoi VNA in English 1434 GMT 21 Sep 92

[Text] Hanoi VNA Sept. 21—The 19th joint search for Americans missing in action during the Vietnam war was conducted by Vietnamese and American experts from August 20 to September 18 in the provinces of Dong Nai, Ba Ria-Vung Tau, Binh Thuan, Ninh Thuan, Quang Ngai, Quang Nam-Danang, Thua Thien-Hue, Ha Tinh and Nghe An. In the same period, Vietnam and American experts collected information about American MIAs in Ho Chi Minh City, and the provinces of Tra Vinh, Minh Hai, Can Tho, Kien Giang, Tuyen Quang and Lai Chau. The excavations and searches yielded some information and remains, thus helping to shelve more light on the fate of a number of MIAs. In addition, investigations were conducted on reports of 'live sightings' of American POW's in Hanoi, Vinh Phu, Haiphong, Thanh Hoa, Son La and Dong Nai provinces.

Since October 15, 1991, specialists of the two countries have investigated 41 reports supplied by the American side on 'live sightings' and they came to conclusion that all these reports are mere hoaxes.

PRC Vice Foreign Minister Visits, Holds Talks

BK2009112692 Hong Kong AFP in English 1057 GMT 20 Sep 92

[Text] Hanoi, Sept 20 (AFP)—Chinese and Vietnamese experts will meet soon in Beijing to discuss the territorial disputes between the two countries, Chinese Vice Foreign Minister Xu Dunxin said Sunday after two days of talks here.

"We understand that relations between China and Vietnam are of great importance and that the existing problems should be settled peacefully," Xu said after meeting Vietnamese Foreign Minister Nguyen Manh Cam.

Xu also reaffirmed that Chinese Premier Li Peng would visit Vietnam, but said no specific date had been decided. Cam said the visit would take place before the end of the year.

Xu, who arrived here Friday, spent two days negotiating with Vietnamese Vice Foreign Minister Vu Khoan before meeting Cam. He was due to leave Monday for Cambodia.

The upcoming experts' meeting was the only concrete agreement revealed following the talks, which both sides described as "a first encounter" to set their respective positions on the table.

Hanoi has accused Beijing of complicating the disputes by reaffirming its sovereignty over the disputed Spratly and Paracel Islands and by authorizing oil exploration in waters of the South China Sea and Tongkin Gulf claimed by Vietnam.

"Of course we talked about the territorial issue in which both sides are deeply interested," Xu said. "Both sides expressed their respective positions, and soon we will have meetings at the experts' level in Beijing."

Cam said the experts would discuss "all" the territorial issues. But an informed source said that while the Chinese were willing to hold negotitations on the demarcation of the land border, they refused to talk about the Spratlys.

China and Vietnam's competing claims on the Spratlys led to a naval clash in 1988 in which two Vietnamese vessels were sunk.

Long-running disputes over land and sea boundaries have remained a source of friction for China and Vietnam since the communist neighbors normalized diplomatic relations last November.

Disagreements over demarcation of the land border has prevented the two countries from opening official border crossings, including a newly repaired rail link, leaving smuggling across the border virtually unchecked.

Hanoi also says Chinese forces since June have seized 19 Vietnamese ships carrying merchandise from Hong Kong to northern Vietnam in an apparent bid to stop the goods from being smuggled by land into China.

The two countries fought a border war in 1979, when China attacked to retaliate for Vietnam's invasion of Cambodia and its ouster of the the Beijing-backed Khmer Rouge.

Following the October 1991 Cambodian peace treaty, Vietnamese Communist Party General Secretary Do Muoi traveled to Beijing to seal the normalization of diplomatic relations.

But any thoughts of an ideological alliance between the two communist countries were erased when China began asserting itself in the South China Sea at Vietnam's expense.

Vietnam, which is trying to restructure its economy and forge new international ties following the collapse of its main ally the Soviet Union, has avoided confrontation with its larger neighbor.

Instead, Hanoi has responded by calling China's muscle-flexing "a threat to regional stability," earning a degree of diplomatic support from non-communist Southeast Asian states.

Hanoi Reports Talks

BK2009152592 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 20 Sep 92

[Text] In their 19 September issues, RENMIN RIBAO and other Chinese dailies quoted a Hanoi-based XINHUA correspondent as saying that Xu Dunxin, China's deputy foreign minister, arrived in Hanoi on 18 September to attend the first talks between the Chinese and Vietnamese deputy foreign ministers.

Upon arrival in Hanoi, Mr. Xu Dunxin said that since the high-level Sino-Vietnamese summit in November last year, relations between the two countries have been marked by fine development. Certain problems, however, still exist.

In the present talks the two sides will review development of their bilateral relations over the past 10 months and will, at the same time, exchange views aimed at promoting the further development of bilateral relations.

Mr. Xu Dunxin also said: Before the end of this year Chinese Prime Minister Li Peng will visit Vietnam as a reciprocal gesture for the visit to China by Vietnamese leaders. The present talks between the two deputy foreign ministers are designed to make preparations for the Chinese prime minister's upcoming visit. In addition, the two sides will exchange views on international and regional issues of common concern.

Ministers Discuss Border Disputes

BK2109111092 Hanoi Voice of Vietnam in English 1000 GMT 21 Sep 92

[Text] During their talks in Hanoi, the deputy foreign ministers of Vietnam and China had discussed ways of solving the pending border issues between the two countries regarding the Tonkin Gulf and the East Sea [South China Sea]. The talks were held during Chinese Deputy Foreign Minister Xu Dunxin's visit to Vietnam from 18-20 September to lay the groundwork for Chinese Premier Li Peng's visit to Vietnam late this year.

The two sides had compared notes on bilateral relations over the past 10 months since the November 1991 summit in Beijing when Vietnam and China officially normalized bilateral relations. Mr. Xu Dunxin had been cordially received by Vietnamese Foreign Minister Nguyen Manh Cam.

Agree To Further Talks

BK2109082392 Hong Kong AFP in English 0751 GMT 21 Sep 92

[By Andrew Sherry]

[Text] Hanoi, Sept 21 (AFP)—A Chinese envoy left Hanoi on Monday after two days of talks that produced no breakthroughs but gave the starting signal for substantive negotiations on the territorial disputes plaguing Sino-Vietnamese relations.

Chinese and Vietnamese experts will start negotiations in Beijing "in the immediate future," the Vietnamese foreign ministry said following the departure of Chinese Vice Foreign Minister Xu Dunxin for Cambodia.

The communist neighbors also agreed to continue preparations for a visit to Vietnam by Chinese Prime Minister Li Peng "at the end of the year," a ministry communique said.

The weekend talks gave Vietnam and China a chance to spell out their positions on new and old problems, including delineation of their borders on land, in the Tonkin Gulf and in the South China Sea, where the Spratly Islands are located.

Those positions remained far apart, judging by the wording of the communique.

"Through the meetings the two parties came to understand the viewpoints of each side, taking note of the differences, and agreed to continue negotiations, in the immediate future, through the opening of expert-level talks," it said.

Nor were specific dates for the experts' meeting and Li's visit announced, in another sign that the "frank and open" talks produced little concrete progress.

But Xu's visit was nonetheless seen as significant because it signalled the start of negotiations between the two countries, whose relations had deteriorated over the last six months.

"We understand that relations between China and Vietnam are of great importance and that the existing problems should be settled peacefully," Xu said after meeting Vietnamese Foreign Minister Nguyen Manh Cam on Sunday.

Vietnam and China pledged to settle their "historical differences" through peaceful negotiations when they normalized diplomatic relations at a summit meeting in Beijing in November 1991.

But Hanoi has accused Beijing of aggravating the disputes since February by reinforcing its claim to the Spratlys and by authorizing oil exploration in waters of the Tonkin Gulf and South China Sea claimed by Vietnam.

Tension has also been reported along the land border, where centuries-old disagreements over demarcation of the boundary line have prevented the two countries from opening official crossing points, leaving smuggling to flourish.

Hanoi also says China has seized at least 19 Vietnamese freighters returning home from Hong Kong since June, in an apparent bid to halt their cargos from being smuggled from Vietnam into China.

Xu was the most senior Chinese official to visit Vietnam since February, when Foreign Minister Qian Qichen came to Hanoi. The foreign ministry here described it as the first in a series of regular consultative meetings between vice foreign ministers of the two countries.

Vietnam, which fought a border war with China in 1979, was not expecting a fast start to negotiations with China, whose muscle- flexing in the South China Sea was viewed here partly as a pre- negotiating ploy.

Hanoi has tried to strengthen its position by publicizing China's assertiveness as a threat to regional security, earning a degree of diplomatic support from non-communist Asia.

Xu Dunxin's Visit Summarized

BK2109123792 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 21 Sep 92

[Text] Implementing an agreement reached between the Vietnamese and Chinese foreign ministers during Chinese Foreign Minister Qian Qichen's visit to Vietnam in February 1992, Chinese Deputy Foreign Minister Xu Dunxin visited Vietnam and conducted the first round of regular exchanges of views between the Vietnamese and Chinese deputy foreign ministers from 18-20 September.

Vietnamese Deputy Foreign Minister Vu Khoan received and held talks with Chinese Deputy Foreign Minister Xu Dunxin. The talks took place in an open-minded, straightforward atmosphere. During their talks, the two deputy foreign ministers reviewed bilateral relations over the past 10 months following the November 1991 summit in Beijing, when Vietnam and China officially normalized their relations.

The two sides were satisfied with some beneficial developments, but they also took note of a number of both new and old problems. They discussed a number of measures to promote bilateral relations in the interest of the two countries and for the sake of peace, stability, and cooperation in the region. To this end, the two deputy foreign ministers devoted much time exchanging views on ways of resolving new and old problems in Sino-Vietnamese relations, especially the delineation of their land borders and their borders in the Gulf of Tonkin and in the East Sea [South China Sea].

Through the meetings the two parties came to understand each other's viewpoints, taking note of the differences and agreeing to continue negotiations in the immedidate future through the opening of expert-level talks.

The two parties exchanged views on Chinese Premier Li Peng's visit to Vietnam late this year. The two deputy foreign ministers also exchanged views on international and regional issues of common concern.

On 20 September, Vietnamese Foreign Minister Nguyen Manh Cam cordially received Deputy Foreign Minister Xu Dunxin and other Chinese Foreign Ministry officials. Chinese Ambassador to Vietnam Zhang Dewei participated in all these activities.

On 21 September, Deputy Foreign Minister Xu Dunxin left Hanoi, concluding his visit to Vietnam.

Pham Van Dong on Economy, Ties With U.S., PRC

*BK1909070892 Hanoi VNA in English
0551 GMT 19 Sep 92*

[Text] Hanoi VNA Sept. 19—Senior advisor Pham Van Dong of the Central Committee of the Communist Party on Tuesday was interviewed by REUTERS and BBC on what Vietnam would do to rebuild the national economy and how the C.P.V. [Communist Party of Vietnam] would motivate the young generation.

He was also asked to comment on Vietnam's relations with China and the United States.

The full interview runs as follows:

Q: What must Vietnam do in order to rebuild its economy as successfully as it has waged war in the past?

A: The rebuilding of the economy today and the war for national liberation yesterday are two stages of one single process which aims at regaining and promoting the fundamental rights that President Ho Chi Minh spelt out in the introductory sentence of the historic declaration of independence. These are the rights to life and liberty and the pursuit of happiness.

The essential factors for the successes of the Vietnamese people in the two stages are one and the same, however, differences must be seen in the internal and international situation as well as in the line and methods adopted.

Those factors are the noble objectives which are enshrined in President Ho Chi Minh's master thoughts:

"Nothing is more precious than independence and freedom", "A wealthy people makes a powerful nation". They consist also in the potential strength of generations of Vietnamese who, through millennia of building and defending their nation, have forged virtues of valiance, industry, intelligence and creativeness. Such men and women have wrested victories in wars and these same men and women are recording initial successes in peaceful reconstruction.

Another factor is the strength of harmonious combination of the objectives pursued by our people with the noble goals that the whole mankind are striving for, namely peace, viable environment, independence, democracy and prosperity.

In order to succeed in our endeavour to build up our nation, we are striving in the present process of reform and renewal to rouse our internal forces and multiply them in the new conditions and on that basis to bring into full play external assets.

Q: How can the Communist Party motivate and mobilise Vietnamese young people who have grown up in peace time, without experiencing the sacrifices of their parents?

A: For the Vietnamese nation, life from time immemorial to the present is a succession of generations which requires dynamism, intelligence and creativeness from the young generation. Our own generation entered the fight for independence and freedom at an early age. The present nation-building is the cause of the entire Vietnamese nation, of several generations united in the common endeavour in which the young generation plays an increasingly important role.

The young Vietnamese generation who value their national tradition, the fruit of the struggle for independence and freedom are determined to innherit and take the cause of their elders further ahead. It is my conviction that in pursuing the objective of making the people rich and thus the nation strong, the creative Vietnamese young generation will work wonders in the new context, developing the economy, culture and science and technology.

Q: How would you describe Chinese-Vietnamese relations at present?

A: Vietnam and China are two neighbours, which entertain traditional ties of friendship. Nowadays, it is in the interests of the two countries to live in peace and friendship, and to broaden their mutual co-operation in many fields with a view to building and developing their respective countries. For the sake of those interests, the two countries have normalized their relations. I am confident that those fundamental interests will help the two countries solve outstanding as well as newly-emerging problems appropriately through peaceful negotiations. This is the legitimate expectation of the Vietnamese people, which is in line with the expressed desire of the countries in the region and the general trend at present towards peace, co-operation and development.

Q: How much progress has Vietnam made in trying to normalize relations with the United States? What is your opinion of the U.S. MIA issue?

A: Prompted by humanitarianism, Vietnam handed over all American prisoners of war after the war and has consistently extended constructive co-operation with the United States in the search for missing Americans, this in spite of the fact that the Vietnamese people are still suffering from the heavy consequences of war and a countless number of their own sons and brothers are still unaccounted for. The U.S. Administration has had, on many occasions, to acknowledge our constructive attitude.

Normalization of relations between Vietnam and the U.S. benefits the two countries as well as peace and stability in Southeast Asia. We have turned over the pages of past history and we are looking forward to the future, standing ready to normalize relations with the United States.

As far as I know, a large section of the American people of various business, cultural and political circles look fowared to the early normalization of relations between the two countries.

Under such circumstances, the ball of normalizations is entirely in the American Administration's court.

Q: What advice would late President Ho Chi Minh give to Vietnam if he were alive today?

A: I cannot answer the question for President Ho Chi Minh. I need, however, to say that the line and policies charted by the Communist Party and the state of Vietnam and implemented by the Vietnamese leadership and nation are in keeping with the wishes of President Ho Chi Minh. Owing to this we have recorded achievements known to everyone. Resolved to act upon his testament, we shall build a peaceful, reunified, independent, democratic and prosperous Vietnam.

Violence Against Foreigners in Germany Viewed

BK2209070392 Hanoi Voice of Vietnam in English 1000 GMT 21 Sep 92

[Station commentary]

[Text] In recent days the wave of violence against foreign residents, including the Vietnamese, has been taking place in the Federal Republic of Germany. The extremists have attacked a hostel in Rostock where over 100 Vietnamese guest workers are staying. The Vietnamese Government has many times sent notes to the German Government requesting it to seek measures to prevent such acts of violence. Following is our radio's comment:

At the request of the Vietnamese side the Interior Ministry of the Mecklenburg-Vorpommern state, especially the interior minister, have pledged to take necessary measures to put an immediate end to the attacks. The committee of the federal senate was set up to investigate the matter and to bring the ringleaders of the attacks on trial. So far, a number of extremists have been arrested. On 18 September Rostock announced that investigations are being conducted to gather evidence in order to prosecute more than 300 persons involved in the violent campaign against foreigners, including Vietnamese, in the city in late August. On the same day the German minister of the interior stated that he must mobilize more police forces and offices in charge of defending the Constitution into the work of monitoring and inspecting the right- wing group's activities.

Meanwhile, in Hanoi in an interview with radio the Voice of Vietnam on the same matter, Mr. Jurgen Elias, German ambassador to Vietnam, said:

[Begin Elias recording in German fading into English translation] It's true that recently in the Federal Republic of Germany there appeared groups of hooligans who were acting violently against foreigners. We, the German people, have come out strongly against those people and have taken concrete measures to defend foreigners, including Vietnamese. At present, the federal government is investigating the causes leading to such hostile acts towards foreigners so that such acts can be eliminated. Our government is (?ceaselessly) opposed to those hostile acts. [end recording]

The German ambassador said he deeply regretted such events, particularly because in his two-year stay in Vietnam he has lived in a pleasant and hospitable atmosphere reserved for him by the Vietnamese people. On this occasion, he wanted to express his condolences to families of the victims of violence in the Federal Republic of Germany.

Delegation of Cambodian Planning Ministry Visits

BK2109153392 Hanoi VNA in English 1429 GMT 21 Sep 92

[Text] Hanoi VNA Sept. 21—A delegation of the Cambodian Ministry of State Planning led by Minister Chea Chanto paid a working visit to Vietnam from Sept. 14-21 at the invitation of the State Planning Commission (SPC).

It was received by first Vice Chairman of the Council of Ministers Phan Van Khai.

The Cambodian delegation has visited a number of economic and cultural establishments in Hanoi and Ho Chi Minh City.

UNDP Gives $19.5 Million Aid to Central District

BK2209071592 Hanoi VNA in English 0621 GMT 22 Sep 92

[Text] Hanoi VNA Sept 22.—The United Nation Development Programme (UNDP) has decided to grant U.S.$19.5 million to Dai Loc District in the central Vietnam province of Quang Nam-Danang to help it develop four economic projects.

The projects concern the building of a system of watering and draining canals, an electric transmission line, roads, and upgrading of the local banking service.

Earlier UNDP had granted U.S.$1.5 million to Dai Loc to reclaim 100 hectares of cultivated land and improve the system of irrigation and drainage.

National Assembly 21 Sep Activities Reported

BK2109152092 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 21 Sep 92

[Text] Today, 21 September—the second day of the first session of the Ninth National Assembly—National Assembly deputies worked in groups exchanging views on electing chairmen, vice chairmen, and members of National Assembly committees. All deputies realize that this is an important task related to the National Assembly's renovation activities. With a high sense of responsibility, all groups worked seriously and carefully discussed the structure and standard of leading organs and leaders of the National Assembly. They also contributed sincere and constructive ideas on the issue, exchanged views, and carefully analyzed the conduct and capability of individuals nominated for positions in the highest organ of state power.

Assembly Deputies Hold Group Meetings 22 Sep

BK2209112492 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 22 Sep 92

[Text] Today, 22 September, deputies to the first session of the Ninth National Assembly worked in groups discussing the draft law on organization of the government. According to the agenda of discussions, the National Assembly will hold a plenary session in the Ba Dinh Conference Hall tomorrow.

Paper Welcomes Opening of Ninth National Assembly

BK2209082992 Hanoi Voice of Vietnam Network in Vietnamese 1000 GMT 19 Sep 92

[From the 19 September press review]

[Text] On the occasion of the opening of the first session of the Ninth National Assembly, NHAN DAN today carries on page one an editorial entitled: Hope and Faith After Reviewing the Main Features in the Process of Electing Deputies to the Ninth National Assembly and the Important Tasks That Will Be Discussed and Passed at its First Session. The editorial says:

As Comrade General Secretary Do Muoi put it, in light of the process of renovation, the establishment of a juridical state, and organization and management of state affairs in accordance with the principle of democratic centralism, it is necessary for the National Assembly to play a highly important role and change its mode of operation.

As the sole organ with constitutional and legislative power in our country, the National Assembly is duty-bound to decide on important issues in the country in all aspects and exercise the absolute right of supervision over the entire process of state operation, as stipulated in the Constitution.

To successfully assume that awesome duty, in this term of office, the National Assembly must satisfactorily carry out the tasks that have been pointed out in the report summing up the term of office of the Eighth National Assembly. The operational efficiency of the National Assembly is linked closely to strengthening and renovating the leadership of the party over the National Assembly, as well as to the effort to constantly renovate the organizational system and work methods and expand democracy in the activities of the National Assembly.

Finally, the editorial adds: Welcoming the deputies to the Ninth National Assembly, we hope and believe that they will always attach themselves closely to voters so that they can fulfill their responsibility as representatives of the people's will and aspirations and can exercise state power in the National Assembly on the people's behalf.

Decision Issued on Scientific Research Network

BK1809102992 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 16 Sep 92

[Text] The Council of Ministers Chairman, on 11 September, issued a decision on reorganizing the network of scientific research and industrial development agencies in accordance with the following principles:

—Strive to combine scientific research work with that of training. The division of labor at universities and scientific-industrial research agencies must be formulated in a unified form so as to optimally exploit the capability of scientists and industrial cadres throughout the country. Efforts must be made to enhance the quality of their training and research.

—To combine scientific research work with that of production, agencies concerned must strive to create favorable conditions for resechers to carry out their activities to serve production. Efforts must be made to reorganize scientific research and industrial development agencies in the direction of promoting production establishments and encouraging scientific research in localities.

State Bank Allows Foreign Currency Transfers

BK1809070092 Hanoi VNA in English 0607 GMT 18 Sep 92

[Text] Hanoi VNA Sept. 18—The State Bank of Vietnam has issued a decision specifying the amount of foreign currency allowed into or out of the country without declaration.

As of Sept. 15, Vietnamese and foreigners with entry exit visas in Vietnam are allowed to bring up to U.S.$3,000 or the equivalent in other kinds of foreign currency into or out of the country without declaration at the customs office on authorization by the state bank.

Until recently, they were obliged to declare any amount of foreign currency in their possession upon arrival or departure.

Economic Statistics on Hanoi Marketplace Cited

BK2009061692 Hanoi VNA in English 0552 GMT 20 Sep 92

[Text] Hanoi VNA Sept. 20—Goods on the Hanoi market account for 12-14 percent of the country's total retail sales. Foreign-made goods imported into this market are valued at about 1,000 billion dong/year, representing 08-20 percent of the retail sales in Hanoi. From 55 percent to 65 percent of imports from China pass through Hanoi to other markets in the country, 35 percent to 45 percent of the imports into Hanoi come from the south.

Foreign goods imported into Hanoi consist mainly of beer, fabrics, bicycles, radiocassettes, porcelain ware, knitwear, production materials, cigarettes, ready-to-wear garments, confectionery, motorcycles and parts, televisions, etc.

Each month from 1.6-1.8 million bottles of Chinese Hanoi beer. The rates of other imports: 60-65 percent of thin fabrics, 40-55 percent of knitwear, 30-35 percent of porcelainwear, 60 percent of office equipment, 50 percent of carbon paper and 70 percent of stencil.

Most of the food and foodstuffs and 70 percent of nonfood products are produced domestically.

The proportion of retail sales by the state-run trade and trading cooperatives is falling appreciatively compared with the total retail sales. The share of the state-run trade service fell to 20 percent in 1991 from 60-65 percent in 1987, 30-32 percent in 1989 and 20-25 percent in 1990. Meanwhile, that of the supply and marketing cooperatives has dropped to just one percent.

In 1991 the number of private business households increased by 20 percent compared with 1990.

Besides, Hanoi has 227 families dealing in gold and precious stones (some families own 2-3 shops), 285 families dealing in oriental medicines, 760 in pharmaceuticals, and 45 are keepers of restaurants and mini-hotels. Many families are in the business of exporting and importing garments and art articles.

Non-commercial goods exported through Hanoi account for 18-20 percent of the total non-commercial goods in 1991, 22-24 percent in the first six months of 1992. The rate for imports through Hanoi was 23 percent in 1991 and 51 percent in the first six months of 1992. In the first half of this year non-commercial exports and imports increased 23.4 percent and 50 percent respectively compared with 1991. The volume of garments exported to Eastern Europe taken along by guestworkers in the first half of 1992 was 998.7 tonnes valued at 79 billion dong.

The turnaround of capital of the state-run trading service is 1.4/month and that of the private trading sector is 0.55. 70 percent of the state-run trade service turnover are wholesales, 24 percent are retail sales and the remaining 6 percent come from restaurants, services and tourism.

For the private trading sector, 84 percent of the turnover come from retail sales. Also in the private sector in Hanoi, 57-60 percent of the families are engaged in commerce, 10 percent in services and 30-37 percent in restaurant business.

Australia

Evans on Importance of Trade Ties With Japan

BK1809074392 Melbourne Radio Australia in English 0500 GMT 18 Sep 92

[Text] The Australian foreign minister, Gareth Evans, has stressed the importance of Australia's relationship with Japan to counter the upsetting trends toward the world of hostile trading blocs.

As Luisa Saccotelli reports, Senator Evans has signalled that Australia will take the lead guiding Japan toward an open multilateral trading system in the Asia-Pacific region.

[Begin recording] [Saccotelli] Senator Evans says Japan is emerging from its chrysalis to take a more active political role in the Asia-Pacific. But in Melbourne today, Senator Evans said no one should sneer at the opportunity Australia has to influence the region. Launching a trade report, he signaled Australia would continue to work with Japan to counter the nightmare scenario of the world splitting into ever more competitive and hostile trade blocs. But he says Japan is still finding its political voice and is willing to make Australia lead.

[Evans] Japan has been willing to work with us in that role, acknowledging in many instances the utility of Australia taking the overt up front position with Japan sitting quietly in the slipstream rather than the converse. [end recording]

Spokesman Denies Pilot Near Raid Location

BK2209062892 Melbourne Radio Australia in English 0500 GMT 22 Sep 92

[Text] The Australian Government has made a detailed response to the Solomon Islands statement that the Australian military attache in Honiara made an unofficial visit to the Solomons-Papua New Guinea border.

The Solomons prime minister, Solomon Mamaloni, has called for an investigation of whether the visit by Commander Keith Eglan had any connection to the PNG cross-border raid which killed two people.

A spokesman for the Australian Foreign Affairs Department in Canberra said Commander Eglan's visit was routine. It had been carried out as part of his regular duties promoting defense cooperation with Solomon Islands.

The foreign affairs spokesman said that at no time did Commander Eglan fly over the PNG border or fly anywhere near the (Kamelai) area where the killings took place. The spokesman said the closest the flight came to the border was a distance of nearly 20 kilometers. He said Commander Eglan had discussed his planned visit to the Western Province with Police Comissioner (Solki) outlining his intentions.

New Envoy Appointed to Papua New Guinea

BK1909100692 Hong Kong AFP in English 0749 GMT 19 Sep 92

[Text] Port Vila, Sept 19 (AFP)—Australia has appointed a new high commissioner (ambassador) to Vanuatu, the government announced here Saturday, following nearly three months of diplomatic unease between the two countries.

The state-run VANUATU WEEKLY said Australia's high commission here had received instructions Friday from Canberra to appoint Peter Shannon to replace David Ambrose, and a high commission spokesman told AFP Saturday that Shannon could take up his post as soon as Wednesday.

Ambrose will leave Sunday for Australia, the spokesman said, after the outgoing diplomat told the VANUATU WEEKLY that diplomatic relations between the two countries woald be "fully normalized by January."

Shannon, 43, has had previous postings in Noumea, Washington and Belgrade, and since 1989 he has worked in Canberra as deputy legal adviser.

The Vanuatu government expelled Australia's acting high commissioner, First Secretary James Pearson, on July 3 on grounds of "interference in Vanuatu's internal affairs," after declaring him persona non grata.

Pearson had expressed concern about legislation granting the finance minister authority to revoke business licences, fearing the consequences for investment and the level of Australian aid to Vanuatu.

Australia responded to the expulsion by suspending all ministerial and high-level official visits to Vanuatu, as well as goodwill ports-of-call by ships.

Acting Australian High Commission First Secretary Rebecca Weisser described these measures to the VANUATU WEEKLY as "only symbolic rather than substantial."

Vanuatu Foreign Minister Serge Vohor said here Friday in a farewell speech to Ambrose that high-level talks between the two countries on aid matters could resume "before the end of this year."

In announcing the appointment of the new high commissioner, Foreign Minister Gareth Evans is reported to have said Friday in Canberra that "Australia very much valued its relationship with Vanuatu."

New Zealand

Citizens Vote To Change Electoral System

BK1909120692 Hong Kong AFP in English 1142 GMT 19 Sep 92

[Text] Wellington, Sept 19 (AFP)—New Zealanders voted by a substantial majority in a referendum Saturday to change the way representatives are elected to Parliament, with a mixed-member proportional system (MMP) the clear favourite.

With 96 per cent of the votes counted, 84.6 per cent backed changing the system.

Voters were also asked to select one of four alternative electoral systems, with the most favoured being put up against the current "first past the post" system in a straight run-off referendum in October next year.

The MMP system was designated in 70.3 per cent of the votes counted so far.

The other three alternatives were preferential voting, supplementary member and single transferable vote systems, but none gained more than 20-percent support.

Chief Electoral Officer Brian Clark told reporters that about 67 per cent of the country's 2,270,730 registered voters had cast ballots.

Special votes, those cast outside electorates in which voters were registered, were still to be counted.

Under the existing system, one member of parliament is elected in each of the country's 97 constituencies, the winner being the candidate who gets the most vote, regardless of whether he or she gains a majority. The party gaining the most seats forms the government, provided it has a majority of seats or can obtain the backing of a majority of MPs.

The system was inherited from Britain, where it is still used.

For the past 50 years, either the National Party or the Labour Party has held office in New Zealand, and between them hold 94 seats in the present parliament.

Under the MMP system, half the MPs would be elected from constituencies and half the seats would be allocated according to the total number of votes each party received.

MMP gives an opportunity for smaller parties, unable to win constituency seats, to gain representation in parliament, or to increase their representation.

Only a framework of the four alternative systems was drafted for Saturday's vote.

The government will now introduce legislation detailing the MMP system, which in its final form will be put up against the present system next year.

Prime Minister Jim Bolger, speaking at a press conference, said he expected there would be intense debate over the final form of MMP.

He said that given the large majority which had voted for change and had supported MMP, he would be surprised if the situation was reversed in the second referendum.

Political commentators consider that distrust of politicians played an important part in the vote. Recent polls have shown that only about four percent of New Zealand voters consider politicians trustworthy.

There has also been widespread dissatisfaction with the performance of the present National Party government, which has held power since 1990, and the previous Labour government.

Both reneged on important election campaign promises and the present government has introduced sharp budget cuts which have reduced social welfare payments and imposed charges in the public health system.

Mediation on Solomons-PNG Dispute Offered

BK2209054292 Melbourne Radio Australia in English 0500 GMT 22 Sep 92

[Text] The New Zealand Government has offered to play a mediation role to help relieve tension between Solomon Islands and PNG [Papua New Guinea] as a result of a cross-border raid by PNG commandos earlier this month.

Radio New Zealand said the government is keeping a close watch on the situation and has been having discussions with both sides. The radio says there are fears in New Zealand that any further deterioration in relations between Papua New Guinea and Solomon Islands could result in other countries being drawn into taking sides.

Papua New Guinea

Government To Investigate Incursion Into Solomons

BK2009031692 Hong Kong AFP in English 0247 GMT 20 Sep 92

[By Wally Hiambohn]

[Text] Port Moresby, Sept 20 (AFP)—The Papua New Guinea Government has acknowledged an incursion by its troops into the Solomon Islands and begun investigations into the killing of two people and the wounding of a child. Senior military officials based on the copper-rich island province of Bougainville have been recalled to Port Moresby for questioning to ascertain whether their troops were responsible for the September 12 shootings.

Defence officials said a Solomon Islander allegedly "abducted" by the troops and taken to Buka Island had been returned to his village on Friday after being interviewed. The interview made available to the local radio station had the man saying troops had gone to his island to confiscate a two-way radio equipment being used by the outlawed separatist group, the Bougainville Revolutionary Army (BRA). He said he was also picked up for questioning and as they were returning from the island on motorised boats they were fired on by rebels. Troops, he said, returned fire from the boats as they were getting away.

The Solomon Islands Government, angered by the incident, has threatened to take the issue to the United

Nations, and also to sever relations with Papua New Guinea and recognise Bougainville as an independent nation. It also refused permission for a visit for consultations Friday by Papua New Guinea Foreign Minister John Kaputin. However, Papua New Guinea Prime Minister Paias Wingti is understood to have established dialogue with his Solomon Islands counterpart Solomon Mamaloni on Friday.

Wingti's office said he telephoned Mamaloni and they had a lengthy and fruitful discussion. Mamaloni had during the conversation asked that the Papua New Guinea High Commissioner to the Solomons, Frank Miro, be recalled for "inefficiency," one official said.

More than 20 incursions have been recorded in recent years during Papua New Guinea's campaign against the BRA. Close to Bougainville and the site of the latest incident, the Solomon Islands have been cited as a sanctuary for the separatist group.

Since 1989, officials of both countries have held numerous talks seeking a solution to the spillover effects of the Bougainville conflict into the Solomons. Under an agreement signed in 1990, the two sides agreed to provide patrol boats, crew and staff for mutual surveillance of their shared sea border.

The Solomons has markedly stepped up its presence along the border and says that while it has been willing to cooperate, its major constraints have been a lack of funds and an inability to effectively monitor the extensive boundary.

It also charges that Papua New Guinea has not fulfilled its obligations under the agreement.

"It (PNG) has never been able to command a presence on the border," says a confidential Solomon Islands document. "This failure has led to the situation on the border to deteriorate and to cause the (BRA) element and others to move freely into Solomon Islands territory," the document says.

It says that the repeated border violations were ignored by the former Papua New Guinea government of Rabbie Namaliu.

Sentiments expressed this week by opposition leader Sir Michael Somare sums up the Papua New Guinea position. He alleged that a decision by the Solomons to give "support and recognition" to the separatists was the root cause of the hostility between the two countries.

"Had these doubtless well-meaning actions not taken place, and had the Solomon Islands turned their backs on this Papua New Guinea domestic issue, troops would not have played such an active part on and around the border area between our two nations," Somare said.

"Two adjoining nations must have total respect for each others' sovereignity, and it is the Solomon Islands who first put that respect in jeopardy by their attitude towards" the BRA, he said.

Wingti Proposes Treaty

BK2109072592 Melbourne Radio Australia in English 0500 GMT 21 Sep 92

[Text] Papua New Guinea's [PNG] Prime Minister Paias Wingti has proposed a formal treaty with Solomon Islands to govern relations between the two countries. Mr. Wingti's proposal comes in the wake of a crisis between Port Moresby and Honiara resulting from the cross-border raid by PNG commandos in which two Solomon civilians were killed, a child was wounded, and a man kidnapped and held captive for a week.

Mr. Wingti said Foreign Minister John Kaputin would raised the treaty proposal when he meets his Solomons counterpart John Duddley Tausinga to discuss resolutions of the crisis. The Solomons Government has so far refused to meet Mr. Kaputin.

PNG Government said the commando raid on a Solomons fuel depot was unauthorized and it has offered to pay compensation. Mr. Wingti said it was apparent that previous PNG Governments and government agencies had taken for granted relations with Solomon Islands. He said this attitude had contributed to subsequent illegal actions by PNG security forces in dealing with spill-over effects of the Bougainville rebellion.

Meanwhile, the Prime Minister's Office has issued a correction stating that the commander of the small boat unit in Bougainville, not the Bougainville operations commander, has been recalled to Port Moresby along with his men to face disciplinary action in connection with the Solomons raid.

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